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Nevada Employment Security Department

economic update

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ECONOMIC INDICATORS

Unemployment Rate (Seasonally-Adjusted)

		JUL	AUG	SEP
Nevada -	1983	9.2	9.4	9.1
	1982	10.0	10.5	10.3
Las Vegas -	1983	9.6	9.8	9.7
	1982	10.8	11.2	11.0
Reno -	1983	7.7	7.8	7.4
	1982	8.8	9.4	9.2
U.S. -	1983	9.5	9.5	9.3
	1982	9.8	9.8	10.1

Consumer Price Index All Urban Consumers (1967=100)

	JUL	AUG	SEP
1983	298.2	299.5	300.8
1982	291.8	292.4	292.8

Gross Gaming Revenues (In Thousands)

	1st Qtr. 1983	1st Qtr. 1982
Nevada	706,299	665,692
Las Vegas	469,345	442,593
Reno	153,223	134,235

Taxable Sales (In Thousands)

	2nd Qtr. 1983	2nd Qtr. 1982
State	1,722,072	1,664,342
Las Vegas	955,168	917,253
Reno	408,672	406,412

NEVADA ECONOMY THIRD QUARTER 1983

Little change in the unemployment situation occurred during the third quarter of 1983. The seasonally adjusted unemployment rate leveled off going from 9.2 percent in July to 9.4 percent in August and finally down to 9.1 percent in September. However, last year during the third quarter, the unemployment rate was rising from 10.0 percent in July to 10.3 percent in September. In addition, the unemployment rate in Nevada is still below the National rate for every month during the third quarter. The national unemployment rate was 9.5 percent, 9.5 percent, 9.3 percent for July, August, and September, respectively.

The major cause for the improving economic statistics has been the drop in the number of unemployed. The number of unemployed has declined every month this year from 59,900 in January to 41,800 in September. This decline has also been reflected in the number of continued claims for unemployment insurance (those persons receiving checks). Continued claims have been running 25-30 percent below last years level during the third quarter. Also, the number of initial claims (those persons filing for a new spell of unemployment) has approached prerecession levels.

However, total employment has not grown as rapidly as the drop in unemployment. Total nonagricultural unemployment has grown by 7,100 jobs from June to September, a growth of less than 2 percent. The construction industry accounted for 1,400 of that gain and the service sector

which includes hotels, gaming and recreation, accounted for a 4,900 job increase. Due to a telephone labor-management dispute, transportation and public utility industries dropped 700 jobs in August, but regained the loss in September after the strike ended. This was the only major strike this quarter compared to several large work stoppages involving thousands of workers the previous quarter. Mining gained only 200 jobs - a small amount due to depressed metal prices. Overall, though, the employment base has not expanded as rapidly in the third quarter as in previous years.

The outlook for the State shows a continuing, although slight, drop in the unemployment rate. The continued drop in unemployment must be matched by a healthy increase in employment for a substantial improvement in the rate to be evident.

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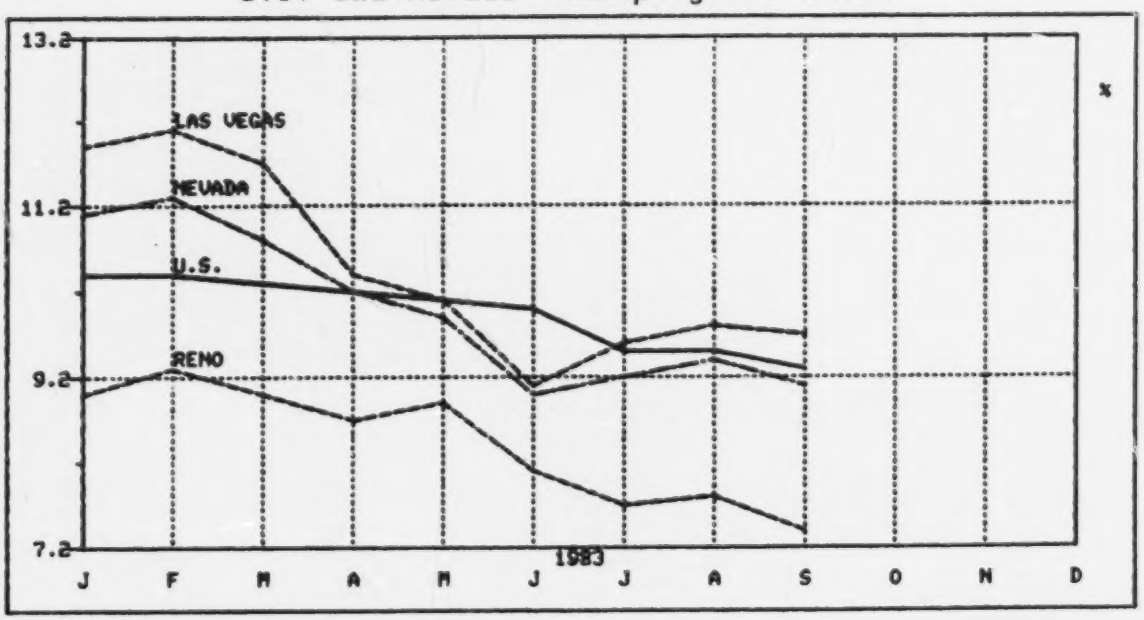
LAS VEGAS AREA

In the third quarter the Las Vegas economy appeared to pick up significantly, despite relatively high unemployment in the area. As shown by the following chart, Las Vegas unemployment declined steadily since early 1983. But during the third quarter the rate again began to climb, increasing in July and August then slightly declining in September. The unemployment rate during July was 9.6 percent, up from the low of 9.1 percent experienced in June. By August, the rate again climbed to 9.8 percent, but then fell back slightly, to 9.7 percent in September. These renewed increases in the unemployment rate do not necessarily indicate a deterioration of the local economy. Up to this point in 1983, there have been significant declines in unemployment. However, these declines were coupled with minimal gains in employment levels. This has made it impos-

Seasonally Adjusted

U.S. and Nevada Unemployment Rates



sible to sustain the relatively low unemployment rate experienced during June. Therefore, the slight increase in the third quarter is the result of less than normal increases in employment levels rather than reductions in the labor force (layoffs).

The number of jobs indicated by the Las Vegas establishment-based industrial employment series, are beginning to reflect improved economic conditions. There has been an increase of nearly 9,000 positions between the third quarter 1982 and third quarter 1983. This gain represents a 4.0 percent increase in the number of jobs for Las Vegans. However, the job growth during this period does not parallel the higher growth rates experienced during the past ten years, which at times, approached 10 percent annually. But, the 4 percent increase is a definite turnaround from the decline of nearly 1.7 percent experienced during the third quarter of 1981 to the third quarter of 1982.

Major job gains in the economy were in the hotel/gaming/recreation sector of the service industry, as 5,200 new jobs were created. These gains represent a 7.1 percent increase over-the-year ending in the third quarter. This significant increase seems to indicate that the gaming/tourism sector in Nevada, or at least Las Vegas, is on the mend. Other area indicators tend to support that conclusion. Air visitor volume is up nearly 5 percent over a year ago and sales, liquor and fuel tax revenues are up substantially. Total visitor volume has been up 5.5 percent during the first 8 months of 1983 and hotel/motel occupancy rates are favorable, averaging around 73 percent this year through August.

The trade industry has also added some jobs in the area. But the percentage rate of growth over-the-year has been signficantly less than the total percentage job gain in Las Vegas. This would seem to imply that the trade sector is selling more goods while employing fewer people, since all indicators point to an increased dollar sales volume.

There were an average of 7,000 jobs in manufacturing in Las Vegas during the quarter. In relative terms, manufacturing has shown the largest job growth during the year. The number of manufacturing jobs has increased by 500, a 7.7 percent increase. Much of this increase is attributable to new manufacturing firms moving into the area.

Other industrial sectors have not fared as well over the period. Transportation/communication/public utilities (TCPU) and government both reflected job losses. There were 400 fewer jobs in the TCPU industrial sector as public utilities cut back on employment in the past few months. The reduction in government is a reflection of the overall push to reduce government expenditures, both nationally and at the local level.

Average Third Quarter Establishment-based Industrial Employment
1982-1983
(In Thousands)

	3rd Q 1982	3rd Q 1983	82-83 Change	Percent Change
Total	226.9	235.9	9.0	4.0%
Mining	.4	.4	0	0.0
Construction	12.8	13.5	0.7	5.5
Manufacturing	6.5	7.0	0.5	7.7
Transportation/Communication/Public Utilites	13.9	13.5	- 0.4	- 2.9
Trade	45.9	47.6	1.7	3.7
Finance/Insurance/ Real Estate	10.1	10.7	0.6	5.9
Service	110.8	116.9	6.1	5.5
Hotel/Gaming/Recreation	73.1	78.3	5.2	7.1
Government	26.4	26.1	- 0.3	- 1.1

In the near future, industrial employment levels should continue their moderate growth. Historically, Nevada unemployment levels have generally followed national trends. Therefore, Nevada and Las Vegas unemployment will probably follow suit as the national unemployment rate continues to decline moderately entering 1984. But despite decreases, local unemployment rates will still remain relatively high.

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RENO AREA

Joblessness in the Truckee Meadows has shown significant improvement since recording its record high level in February 1983. Total unemployment has dropped by more than 40 percent and the seasonally adjusted unemployment rate has decreased from 9.3 percent in February to 7.4 percent in September. In September 1982, the unemployment rate stood at a relatively high level of 9.2 percent with 10,700 jobless. During the third quarter 1983, total unemployment dropped by 1,100 and currently totals 8,700. September's jobless rate is the lowest it has been since March 1982, and is considerably below those reported for the Nation, Nevada, and Las Vegas. (See chart previous article).

Total jobs in the area increased by 2,500 during the third quarter of 1983, principally in the government, services, and trade industries. Employment increases in the government sector were attributed to the re-opening of schools for the Fall semester, while job gains in services and trade were due primarily to increased tourism during the prime summer months. Air passenger volume and vehicle traffic counts for the area continue to be higher than a year ago. Similarly, hotel/motel occupancy rates have increased to 79.6 percent, up from 72.7 percent one year-ago. July and August taxable sales collections were also considerably higher than year-ago levels. In contrast, second quarter sales tax collections were up only fractionally over the preceding year. Nevertheless, the second quarter gain was the only increase since the first quarter of 1981. Most indications are that taxable gross gaming revenues for the third quarter will show sizable gains over the 1982 period. This anticipated gain will follow the strong 14.2 percent increase in the second quarter. A portion of the $153.2 million gaming revenues during this period was attributed to Reno area businesses benefitting from the closure of U.S. Highway 50 between California and South Lake Tahoe for several months by a mudslide.

Construction payrolls also increased by 200 during the period, another positive sign for the area. Further, the August and September level of 6,300 is the highest number of construction jobs since September 1981 when 6,500 persons were employed. Favorable mortgage interest rates helped to account for a portion of this increase. Also, there has been a much larger volume of residential construction permits issued so far this year as compared to 1982.

During the past 12 months, 4,300 jobs were added to the payrolls of area employers. Large employment gains were reported in the hotel/gaming/recreation sector of the service industry as well as the retail trade sector and construction. Construction experienced its largest gain of the year in 1983 by exceeding year ago levels by more than 16 percentage points. A 3.3 percent increase was reported for the finance/insurance/real estate industry which was spurred by improvements in the construction industry and mortgage interest rates.

The strength of the national and state business activity portend optimistic expectations for the Reno area. The number of claimants receiving unemployment benefit checks has been declining during recent months and is below 1982 levels. This suggesting a further lessening in unemployment in the next future. Consumer spending has accelerated with many retail trade and service establishments adding personnel. Taxable sales data, as well as optimistic forecasts for gaming revenue, indicate a sustained recovery. Additionally, the construction of a $39 million addition to a local gaming facility will favorably impact future activity in the area.

GAMING REVENUE ANALYSIS
BY
TED ZUEND, LABOR ECONOMIST

The gaming industry remains the backbone of the Nevada economy. However, like many of the key sectors of the national economy, Nevada gaming has been down a bumpy road the past few years. On the bright side, a strong rebound in gaming during the first half of 1983 bodes well for the state economy's immediate future. The following table depicts two measures of state gross gaming revenue (GGR) since 1977 and compares them to the Nevada unemployment rate during the same period. The second column is the seasonal adjustment of the GGR figures reported by the Gaming Control Board. The third is the GGR figures in "real", inflation adjusted, terms.* The others are self-explanatory.

State of Nevada
Gross Gaming Revenue and Unemployment rates
1977-1983

Quarter	Gaming Revenue (SA) 000's	Real Gaming Revenue (SA) 000's	% Change Real Gaming Revenue (Qtr-Qtr)	Nevada Unemployment Rate (SA)
77Q1	$356,272	$503,209	--%	8.1%
77Q2	368,611	518,440	3.0	7.6
77Q3	384,623	534,942	3.2	7.2
77Q4	411,101	563,152	5.3	6.0
78Q1	423,997	573,744	1.9	4.7
78Q2	452,652	604,342	5.3	4.3
78Q3	475,654	625,038	3.4	4.2
78Q4	494,318	636,188	1.8	4.4
79Q1	508,709	644,752	1.3	4.3
79Q2	502,026	623,635	-3.3	5.0
79Q3	545,114	667,214	7.0	5.2
79Q4	564,661	682,782	2.3	5.5
80Q1	591,413	704,063	3.1	5.2
80Q2	574,486	667,231	-5.2	6.4
80Q3	588,508	667,243	0.0	7.0
80Q4	633,265	705,981	5.8	6.6
81Q1	602,146	658,083	-6.8	7.2
81Q2	643,063	697,465	6.0	6.8
81Q3	636,643	680,174	-2.5	6.6
81Q4	651,904	678,360	-0.3	7.8
82Q1	649,915	665,215	-1.9	9.1
82Q2	662,194	670,916	0.9	10.1
82Q3	669,349	664,696	-0.9	10.3
82Q4	644,160	626,006	-5.8	10.9
83Q1	665,123	639,541	2.2	11.1
83Q2	702,736	669,272	4.6	9.7

*Seasonally adjusted GGR is deflated by the U.S. Consumer Price Index for Entertainment Services of which gaming is a part. The figures are in 1982 dollars.

As the table shows, gaming revenue rose sharply between the first quarter of 1977 and the first quarter of 1981. Even after adjustment for inflation, revenues rose by 40 percent or almost 12 percent per year. By any standard, this was phenomenal real growth. At that point, however, the trend began to reverse itself. Even though revenues continued to grow for some time, in real terms they began a rocky decline. By the fourth quarter of 1982 real GGR had dropped by 11 percent from its level of late 1980. The early 1983 rebound has recouped more than half of the two year decline.

As you can see, the performance of the Nevada economy, as measured by the unemployment rate, has moved pretty much in tandem with the gains or losses in real GGR. The only real divergence from this occurred in 1979 when the unemployment rate drifted upward despite continued strong gains in real GGR. The rise in unemployment in that instance was more due to it reaching an equilibrium level* rather than a weakening economy.

There are at least four reasons for the gaming decline from 1980 through 1982. The most important was obviously the long period of national economic stagnation. As measured by Gross National Product (GNP), the U.S. economy remained virtually flat between mid-1979 and the end of 1982. Interesting enough, this was the first time that the growth in gaming was reversed by a national recession. In past recessions, gaming continued to grow though at reduced rates. This may have been the case again had the recession not occurred in conjunction with the three other factors.

Foremost is the likely maturation of the gaming industry. There comes the time in the life cycle of any good or service when gains become increasingly difficult to come by. Gaming should be no exception. The advent of gaming in Atlantic City also undoubtedly has taken a small but important chunk out of the Nevada market. Finally, the tremendous growth in the 1977-79 period gave rise to some hardship in the following years. The early-80's were probably a shake-out period for the industry as competition separated the winners from the losers.

The short-term outlook for gaming appears bright. Despite all the concerns expressed about the strength and duration of the U.S. recovery, it should continue for the next two or three years. Just as many U.S. indicators such as GNP and industrial production should reach new highs, so too should real GGR and gaming employment. Clearly, however, Nevada gaming will be much more tied to real growth in the U.S. and western region's economies. In addition, the extent of competition in surrounding areas for not only the gaming dollar, but the tourist dollar as well, will determine the long-term outlook for our state's #1 industry.

*In effect, the strength of the Nevada economy induced many additional people to seek employment in the state, thus raising the measured unemployment rate.

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MEASURES OF UNEMPLOYMENT
BY
DAN CULBERT AND BOB BUTLER,
LABOR ECONOMISTS

There has been much confusion in the past over the various measures of unemployment. Questions vary from "What is the U.I. rate?", to "Well, is the rate of unemployment low because it doesn't take into account those who have exhausted unemployment benefits?" This article should give the user an idea of the types of unemployment rate measures, how they are produced, and what they are designed to indicate.

The total unemployment rate is the one most often heard in the press and the rate shown in this publication. In Nevada, as in most other states, this rate is calculated by a "building block" method. Data on employment reflects information received from a sample of nonagricultural wage and salary employers throughout the state. Each month these firms report the number of persons employed during the pay period that includes the 12th of the month. This time period has been established as the official survey week for

statistical sampling. In addition to reports from these employers, estimates are made for agriculture, self-employed and unpaid family workers, domestics and nonprofit employers. The aggregate of these is "building block" employment.

Unemployment is gathered by utilizing a number of administrative statistics kept by this department. Unemployment insurance (UI) claims are combined with data on those disqualified for UI benefits, and those exhausting UI benefits to give an estimate of the number of insured unemployment. Data is also estimated for those persons that are unemployed, but are not insured under the unemployment provisions of Nevada State law. These include some domestics, some nonprofit, some agriculture, and new entrants into the labor market and reentrants into the labor market (generally those persons with no recent history in trying to find a job). The combination of all these categories yields "building block" unemployment.

At the same time as Nevada is compiling data for estimation using the building block method, another survey is being done nationwide. This second survey is known as the current population survey (CPS) and reflects data for the week of the 12th of the month. Unlike the previously mentioned statistics, this reflects a sample of households throughout the United States and is the basis for the national unemployment rate. A certain number of households in every state, including Nevada, are represented in this sample. In states where this sample is large, data is used directly to estimate unemployment, and the building block method is utilized only to determine sub-state estimates. However, for a small state like Nevada, the number of households in the sample is not large enough to yield reliable monthly statistics on employment and unemployment. The sample is utilized to modify the data produced in the building block method to reflect aspects of both data series. This modified method produces data for employment and unemployment for Nevada. Civilian labor force is the sum of these two components, with the rate of unemployment calculated by dividing unemployment by labor force.

Seasonal adjustment of the unemployment and employment series is a statistical technique applied to remove the annually recurring seasonal patterns from the data to allow for meaningful comparison of the data from one month to another. By using this technique, a seasonally-adjusted unemployment rate is produced which many economists feel is the best representative statistic measuring the well-being of the economy. The seasonally-adjusted rate of unemployment is the one normally quoted in newspaper stories. Unfortunately, not all states or areas process their labor force data through seasonal adjustment. For purposes of continuity therefore, all applications for federal grants use the unemployment rate calculated prior to adjustment for seasonality.

The insured unemployment rate (IUR) reflects data on the unemployment insurance program only. This rate is calculated by dividing the number of persons claiming for unemployment insurance by the number of persons employed in jobs covered under the unemployment insurance program. This rate, while also a measure of well being of the economy, is an indicator of the job experienced employee. In order to claim for unemployment insurance a person must have prior working attachment to the labor market.

One can see then, the IUR is a specialized rate. (For reference purposes, the IUR averages about 40 percent of the total unemployment rate.) The IUR is used to test how the economy affects persons with recent experience in the labor force. On the state level, this test is used to "trigger" extensions in the length of time an unemployed person can collect unemployment insurance. Presently, Nevada law allows a 13-week extended-benefit period on top of the regular 26 week period if (1) the IUR is over 5 percent and the rate is 120 percent above the average of the prior 2 years or (2) the IUR is above 6 percent.

On a national level, periodic law changes allow for further extensions in the length of permissable unemployment benefit collection when the national unemployment situation is at unacceptable levels.

A commonly asked question is "If the rate of unemployment in Nevada is 9.3 percent, why are extended benefits for unemployment insurance dropped?" The answer is that the 9.3 percent reflects a total unemployment rate, while the extended benefit test is based on the insured unemployment rate, which is considerably lower.

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THE INDEX OF LEADING ECONOMIC INDICATORS

BY

TED ZUEND, LABOR ECONOMIST

Each month the Bureau of Economic Analysis (BEA), U.S. Department of Commerce releases a series of indexes analyzing various aspects of the U.S. economy. The most widely cited and certainly one of the most important of these is the Index of Leading Economic Indicators. This article is intended to provide information about the "leading index" that is not usually available from the monthly press releases.

As persons concerned with movements in the national economy know, the leading index is designed to foretell the course of business activity. The monthly index is a composite estimate of twelve economic indicators:

(1) Average workweek, production workers, manufacturing (in hours);
(2) Average weekly initial claims, State unemployment insurance* (in thousands);
(3) New orders for consumer goods and materials (in billions of 1972 dollars);
(4) Vendor performance, companies receiving slower deliveries (percent);
(5) Net business formation (index: 1967=100);
(6) Contracts and orders for plant and equipment (in billions of 1972 dollars);
(7) New building permits, private housing units (index: 1967=100);
(8) Change in inventories on hand and on order, smoothed** (annual rate, in billions of 1972 dollars);
(9) Change in sensitive materials prices, smoothed** (percent);
(10) Stock prices, 500 common stocks (index: 1941-1943=10);
(11) Money supply (M2) (in billions of 1972 dollars);
(12) Change in credit--business and consumer borrowing (annual rate, percent).

* The series is inverted in computing the composite index; i.e., a decrease is considered an upward movement.
**The series is a weighted 4-term moving average placed on the last month of the span.

BEA selected these components based on an evaluation of all cyclical indicators according to six major characteristics: economic significance, statistical adequacy, consistency of timing at business cycle peaks and troughs, conformity to business expansions and contractions, smoothness, and prompt availability.

The composite index is designed to give more reliable signals over time than do any of the individual indicators. In addition, the independent measurement error and other "noise" in the included series are smoothed out in the index. The importance of the composite can be understood by looking at the diffusion index for the leading indicator series. This measures the percentage of components of the series which are rising (a series which is unchanged is considered to be half-rising). Since 1948, only once have all components been negative--November, 1957. Similarly on only three occasions have all components been positive--October 1954, August 1967, April 1981. Rare is the case where less than three indicators register either positive or negative. Thus an analyst who focuses on only one or even a few indicators can be misled.

The leading index contains series with long as well as short leads, but each series leads on the average over time. Since 1948, the leading index has generally bottomed out only two or three months prior to a recovery. However, it has usually peaked about ten months prior to recession.

The most recent reading (August) of the Index of Leading Economic Indicators is 158.1, meaning that the index is 58 percent above its 1967 base-year level. Though the index dropped from 158.3 in July, this is not a cause for concern. The August index was incomplete and will likely register a small gain when revised. In addition, the likelihood of a downturn is predicated upon the index having reached a peak. Recently reported statistics indicate that the September index will rise above the July level. What this suggests, given past performance, is that the U.S. economy should continue to grow at least into the second-half of 1984.

For those interested in following the leading index, the release date is normally in the last week of the month following the reference month. For example, September's index will be released on October 28. A news release covering the leading, coincident, and lagging indicator series is available from the Department of Commerce. also, Business Conditions Digest, which details the movements of the indexes and their components can be purchased from the U.S. Government Printing Office or found at many libraries.

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RESIDENTIAL HOUSING
BY
GARY LUNGSTRUM, LABOR ECONOMIST

Construction related to the residential housing industry has long been recognized as a leading indicator of future business activity. During the last two recessions, 1980 and 1981-82, new building permits for private housing units pointed to economic recovery well before the trough, or low point, of the recessions were reached. In fact, it was only shortly after the 1981 recession began that new building permits nationally started a strong upward trend that was still evident by mid-1983. Housing starts typically follow the issuance of a permit by three to six months.

Problems in the housing industry began to surface in the late 1970's. Part of the difficulties were associated with a continued escalation of homeownership costs, particularly fuel and material prices; some residual impact was still evident from the 1973 oil embargo. Another major factor was the unprecedented levels reached by mortgage interest rates. Annual conventional new-home mortgage yields 1/ (Federal Home Loan Bank Board--FHLBB) increased steadily from 9.02 percent in 1977 to a record high 15.14 percent in 1982. The results were severe as new housing starts plummetted. Renewed vitality in the housing industry only became evident during the latter months of 1982, continuing through August of this year. From a 1982 level of 1.062 million units started nationally, the 1983 annualized eight-month average expanded to 1.732 million units. Declining mortgage interest rates were partially responsible for these gains, however the conventional new home interest rate (FHLBB) in September was above 12 percent.

Housing has benefitted from several other factors. Rapid price increases denoted by gains in the Consumer Price Index have subsided, resulting in increased consumer wealth. In addition, this has been coupled with gains in consumer confidence associated with the economic recovery. Perhaps the most important factor underlying this current resurgence lies with pent-up consumer demand.

Simply from the viewpoint of population characteristics, housing demand is quite strong. By age, the greatest concentration of population nationwide lies within the 15-19 and 25-29 age range. Typically, family formations and child rearing are at their greatest at the upper end of this range. This has also been accompanied by significant growth in single parent households. Within Nevada, population age characteristics in the Las Vegas metropolitan area show that the largest number of people are also concentrated within this same age range. The Reno metropolitan area has a somewhat older population. The greatest number of people are within the 20-24 to 30-34 age bracket. Nevada, similar to the Nation, has a strong demand for housing.

1/ Effective rate (in the primary market) on conventional mortgages, reflecting fees and changes as well as contract rate and assumed, on the average, repayment at end of 10 years.

Historically, Nevada housing permits paralleled the national decline during 1979, 1980, and 1981. However, in contrast to the continued national weakness during most of 1982, Nevada residential permits stabilized and showed a slight gain over the prior year. When housing started its decline in 1979, similar developments occurred nationally and in the Las Vegas area. A shift occurred between the mix of single and multiple family dwelling units. Although maintaining the greater market share, the proportion of single units started nationally dropped from approximately 68 percent (1979) to around 62 percent in 1982. Likewise, the proportion of single dwelling units in Las Vegas (Clark County) declined, constituting only 45 percent of the total permits authorized in 1982. With only a few exceptions, the share of single and multiple units in the Reno (Washoe County) area has historically been nearly equally distributed. They has only been during the first three quarters of this year that single housing units strongly dominated building activity. They comprised nearly 70 percent of the total. The table below shows historical housing activity in Nevada's two metropolitan areas.

Residential Building Permits
Percent Change From Prior Year

	LAS VEGAS SMSA		RENO SMSA	
	Singles	Multiples	Singles	Multiples
1979	- 18.7%	- 10.2%	- 23.4%	- 63.5%
1980	- 44.2	- 22.3	- 51.2	- 25.7
1981	- 25.2	- 13.5	- 45.5	- 26.2
1982	+ 2.5	+ 3.1	+ 38.9	- 35.5
1983*				
1st Quarter	+ 56.9	+100.9	+100.0	+344.4
2nd Quarter	+135.6	+ 92.9	+160.8	+296.8
3rd Quarter	+ 89.5	+158.3	+107.0	- 19.3

*Percent change from same year-ago quarter.

It would appear at this point in time that future residential construction is in a sensitive situation. Affordability is once again becoming an issue. While many major housing developments have been proposed for both the Las Vegas and Reno areas, some recent upward pressure on mortgage rates nationwide may become apparent locally and adversely affect actual construction. Due to this one factor, several economists are now calling for declines in national housing starts for the remainder of the year. In September, housing starts declined 13.5 percent from the August level. On the other hand, continued curtailment of inflationary pressure (assuming no repeat of the oil embargo due to the current Middle-East situation), lower jobless rates, and increased income should continue as positive influences. Perhaps the single greatest threat to future construction activity will be the potential financial stress resulting from huge government borrowing. A great number of variables, however, will interact before the situation becomes critical. Its future impact is by no means certain. At this point, the situation should only be viewed with caution.

NEVADA INDUSTRY EMPLOYMENT SHARES TRENDS AND OUTLOOK

BY

TED ZUEND, LABOR ECONOMIST

Despite repeated calls for increased economic diversification since 1970, the share of Nevada employment in the services industry (primarily hotels, gaming, and recreation) has actually increased fairly consistently. A look at the employment shares since 1970 provides us some insight in how to interpret this change.

The table suggests a trade off between government and services, which implies consumer preference for private instead of public services. However, that explanation is only minimally correct, if at all. More than half of the relative decline in government is due to the limited growth of federal government employment. Most of the rest of the decline is due to the slower pace of growth in the public education sector. Both of these probably could have been predicted back in 1970.

In the case of the federal government, many of the "services" it provides in Nevada are not population dependent (e.g., Bureau of Land Management, Forest Service, Department of Defense). Thus, employment in these entities does not increase unless a political decision has been made to do so, which has not been the case. In addition, the Congress has tended to restrict the overall growth of federal government employment. As a consequence, many federally funded services actually show up as employment in state or local government or the private sector.

In the case of education, the explanation is very clear cut. The "graying of America" has reduced the share of young people, the primary focus of education, in the total population. Thus, there has been a corresponding reduction in the relative need for educational services.

To the extent that federal government spending has been "privatized," the service sector has grown accordingly. In addition, the overall drop in government's share of employment (because the sum of employment shares must equal 100 percent) would necessarily improve the share of employment in services and the other industries. Couple this with the increasing demand for gaming throughout much of the past 15 years, and the rise in services relative importance is neither surprising nor alarming.

Outside of services and government, the other sectors underscore significant stability in the State's economic mix. The composition of employment has changed remarkably little over time. Mining and construction have fluctuated considerably

Nevada
Percent Share of Establishment-Based Industrial Employment
Selected Years 1970-1982

	1970	1973	1976	1979	1981	1982
Mining	2.0%	1.5%	1.3%	1.2%	1.9%	1.7%
Construction	6.0	7.6	5.3	7.1	6.2	5.1
Manufacturing	4.1	4.8	4.6	5.1	4.9	4.6
TCPU	6.8	6.5	6.3	6.0	6.1	6.1
Trade	19.2	19.5	20.2	20.2	20.3	19.9
FIRE	4.0	4.4	4.1	4.4	4.5	4.4
Services	39.7	38.7	41.5	41.8	42.2	43.8
Government	19.2	16.9	16.7	14.3	13.9	14.3

from year to year depending on economic conditions, but there is no evidence of a secular trend. Only transportation, communications, and public utilities (TCPU) has exhibited a clear trend. The relative decrease in employment in that industry is almost solely due to the strong improvements in communications technology. The other industries show little change other than a slight increase due to government's relative decline.

Looking five years into the future, one sees little chance for any major shift in the composition of employment. Even if diversification efforts prove highly successful, the composition will change very slowly. Only a huge drop in the tourist dollar due to competition from other states is likely to alter this scenario. Even then, because tourism is the lion's share of the state's economic base, most other industries would likely contract in lockstep with services.

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A MESSAGE FROM STANLEY P. JONES,
EXECUTIVE DIRECTOR
NEVADA EMPLOYMENT SECURITY DEPARTMENT

With the economy on the upswing we must intensify our efforts to keep it stimulated. The Nevada Employment Security Department (NESD) takes pride in its contribution to promote change and improvement. Not change for the sake of change, but meaningful change.

Governor Richard Bryan has requested all State Government be responsible to the economic growth and diversification of our State. The NESD is a partner involved in "how to" aspects of complying with the directives of Governor Bryan.

The Employment Service and Research Divisions of the Department are the logical divisions to have the kind of impact needed to keep our economy moving forward. We are moving in new and exciting directions which support our basic mandate---serving Nevada. We are committed to work and assume a major role in the decade of the 80's. With eleven (11) offices located Statewide, the Employment Services and Research Divisions will make a sizeable contribution to those searching for jobs and employers looking for qualified workers. It's a proven cost-effective program.

One of our services, Group Job Search Workshops, is targeted to become a Statewide activity. These workshops will, through job development efforts with employers, assist the unemployed find suitable employment. NESD already has qualified "teams" of Group Job Search Workshop leaders trained in the implementation of the concept. Additional "teams" will be added in the near future to assist dislocated/displaced workers.

The NESD will also be cooperating with the U. S. Department of Labor in a National Job Bank Program. The goal will be to develop a National job-matching system to assist the dislocated worker. A dislocated worker is one who remains idle (despite the economic upswing), a "victim" of a plant closing or mass layoff caused by increased automation/technological change, or foreign competition.

To the dislocated worker, be they a high-level executive or an hourly paid employee, the trauma of being without a job can be devastating. They need emotional support, good counseling and positive information about their future. Perhaps as important as any support system is the knowledge that someone cares.

The Dislocated Worker Program will include:

1. Counseling
2. Vocational Assessment
3. Job Search Assistance
4. Job Development/Placement
5. Training/Retraining
6. Pre-layoff Assistance
7. Relocation Assistance

The Nevada Employment Security Department in cooperation with Governor Richard Bryan is out to prove you are important and we do care; you need someone and someone needs you.

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
CIVILIAN LABOR FORCE	499.5	497.4	496.9	490.1	492.9	493.0
UNEMPLOYMENT	44.8	43.3	41.8	49.7	49.9	48.8
UNEMPLOYMENT RATE	9.0%	8.7%	8.4%	10.1%	10.1%	9.9%
UNEMP. RATE (SEASONALLY ADJUSTED)	9.2%	9.4%	9.1%	10.0%	10.5%	10.3%
TOTAL EMPLOYMENT 1/	454.7	454.1	455.1	440.4	443.0	444.1
NONAGRICULTURAL EMPLOYMENT	448.0	446.9	449.2	433.7	435.9	438.3
AGRICULTURAL EMPLOYMENT	6.7	7.2	5.9	6.7	7.1	5.9
PERSONS INVOLVED IN WORK STOPPAGES	0.1	0.7	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	417.8	419.1	424.3	405.9	408.1	410.8
MINING	6.4	6.5	6.5	6.7	6.6	6.6
METAL MINING	4.1	4.2	4.2	4.1	4.1	4.1
CONSTRUCTION	23.0	23.5	23.9	21.8	22.0	21.6
MANUFACTURING	18.6	18.7	18.7	18.7	18.5	18.4
DURABLE GOODS	11.4	11.4	11.5	12.0	12.0	11.8
STONE, CLAY, & GLASS PRODUCTS	1.5	1.5	1.5	1.4	1.4	1.4
PRIMARY METAL INDUSTRIES	0.9	0.9	0.9	1.4	1.4	1.3
NON-DURABLE GOODS	7.2	7.3	7.2	6.7	6.5	6.6
FOOD PRODUCTS	1.5	1.5	1.5	1.5	1.5	1.4
PRINTING & PUBLISHING	3.3	3.3	3.3	3.0	3.0	3.1
CHEMICALS	0.8	0.8	0.8	0.8	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	24.1	23.4	24.2	25.0	25.0	24.8
TRANSPORTATION	12.7	12.7	12.9	13.0	13.1	12.9
RAILROAD	1.8	1.8	1.8	1.8	1.8	1.8
TRUCKING & WAREHOUSE	3.5	3.6	3.6	3.4	3.4	3.5
AIR	2.7	2.7	2.7	2.9	2.9	2.7
PUBLIC UTILITIES	11.4	10.7	11.3	12.0	11.9	11.9
TOTAL TRADE	84.5	84.2	84.1	81.3	81.1	80.9
WHOLESALE	14.1	14.2	14.2	13.9	13.9	13.9
RETAIL	70.4	70.0	69.9	67.4	67.2	67.0
GENERAL MERCHANDISE & APPAREL	13.2	13.3	13.2	13.0	12.9	12.8
FOOD STORES	10.1	9.5	9.6	9.6	9.6	9.5
AUTO DEALERS & SERVICE STATIONS	9.4	9.5	9.4	8.8	8.8	8.8
EATING & DRINKING PLACES	23.7	23.7	23.7	22.3	22.2	22.3
FINANCE, INSURANCE & REAL ESTATE	18.6	18.6	18.7	18.0	17.9	17.9
FINANCE	8.3	8.4	8.4	8.2	8.2	8.2
SERVICE INDUSTRIES	188.4	190.0	190.3	179.1	181.9	182.5
HOTELS, GAMING & RECREATION	126.6	128.1	128.0	118.2	120.2	120.6
PERSONAL	5.7	5.7	5.7	5.4	5.6	5.6
BUSINESS	18.4	18.6	19.0	17.3	17.8	18.0
MEDICAL & HEALTH	15.1	15.0	15.1	15.6	15.7	15.7
GOVERNMENT	54.2	54.2	57.9	55.3	55.1	58.1
FEDERAL	9.9	9.7	9.6	9.5	9.8	9.6
STATE & LOCAL	44.3	44.5	48.3	45.4	45.3	48.5
EDUCATION - STATE & LOCAL	15.6	15.8	20.4	15.8	15.6	20.0

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
CIVILIAN LABOR FORCE	278.3	276.7	277.7	270.8	273.7	275.3
UNEMPLOYMENT	27.2	26.7	26.0	30.3	30.5	29.9
UNEMPLOYMENT RATE	9.8%	9.6%	9.4%	11.2%	11.2%	10.9%
UNEMP. RATE (SEASONALLY ADJUSTED)	9.6%	9.8%	9.7%	10.8%	11.2%	11.0%
TOTAL EMPLOYMENT 1/	251.1	250.0	251.7	240.5	243.2	245.3
NONAGRICULTURAL EMPLOYMENT	249.9	248.8	250.7	239.3	241.9	244.3
AGRICULTURAL EMPLOYMENT	1.2	1.2	1.0	1.2	1.2	1.0
PERSONS INVOLVED IN WORK STOPPAGES	0.1	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	234.4	235.2	238.1	224.2	226.9	229.5
MINING	0.4	0.4	0.4	0.4	0.4	0.4
METAL MINING	0.1	0.1	0.1	0.1	0.1	0.1
CONSTRUCTION	13.2	13.5	13.9	12.7	13.0	12.8
MANUFACTURING	7.0	7.0	7.0	6.5	6.4	6.5
DURABLE GOODS	3.6	3.6	3.7	3.5	3.4	3.5
STONE, CLAY, & GLASS PRODUCTS	0.7	0.7	0.8	0.6	0.6	0.6
NON-DURABLE GOODS	3.4	3.4	3.3	3.0	3.0	3.0
FOOD PRODUCTS	0.5	0.5	0.5	0.5	0.5	0.5
PRINTING & PUBLISHING	1.7	1.7	1.7	1.5	1.5	1.5
CHEMICALS	0.7	0.7	0.7	0.7	0.7	0.7
TRANSPORTATION & PUBLIC UTILITIES	13.5	13.5	13.6	13.9	13.9	13.8
TRANSPORTATION	7.6	7.6	7.7	7.8	7.8	7.7
RAILROAD	0.7	0.7	0.7	0.7	0.7	0.7
AIR	2.1	2.1	2.1	2.3	2.3	2.2
PUBLIC UTILITIES	5.9	5.9	5.9	6.1	6.1	6.1
TOTAL TRADE	48.1	47.5	47.3	46.0	45.9	45.8
WHOLESALE	6.7	6.7	6.7	6.6	6.5	6.5
RETAIL	41.4	40.8	40.6	39.4	39.4	39.3
GENERAL MERCHANDISE & APPAREL	7.8	7.9	7.8	7.7	7.6	7.5
EATING & DRINKING PLACES	13.8	13.7	13.7	13.1	13.1	13.1
FINANCE, INSURANCE & REAL ESTATE	10.6	10.8	10.8	10.1	10.1	10.2
FINANCE	4.6	4.7	4.7	4.4	4.4	4.4
SERVICE INDUSTRIES	116.2	117.1	117.5	108.7	111.5	112.3
HOTELS, GAMING & RECREATION	77.6	78.6	78.8	71.4	73.5	74.3
PERSONAL	3.3	3.3	3.3	3.3	3.3	3.4
BUSINESS	12.5	12.5	12.7	11.5	12.1	12.2
GOVERNMENT	25.4	25.4	27.6	25.9	25.7	27.7
FEDERAL	5.0	5.0	4.9	5.0	5.0	5.0
STATE & LOCAL	20.4	20.4	22.7	20.9	20.7	22.7
EDUCATION - STATE & LOCAL	7.5	7.5	10.2	7.7	7.6	10.1

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
CIVILIAN LABOR FORCE	135.6	135.5	135.5	134.7	134.2	134.3
UNEMPLOYMENT	9.8	9.1	8.7	11.0	10.9	10.7
UNEMPLOYMENT RATE	7.2%	6.7%	6.4%	8.1%	8.1%	8.0%
UNEMP. RATE (SEASONALLY ADJUSTED)	7.7%	7.8%	7.4%	8.8%	9.4%	9.2%
TOTAL EMPLOYMENT 1/	125.9	126.4	126.8	123.7	123.3	123.5
NONAGRICULTURAL EMPLOYMENT	125.1	125.6	126.1	122.9	122.5	122.9
AGRICULTURAL EMPLOYMENT	0.8	0.8	0.7	0.8	0.8	0.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.6	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	JUL	AUG	SEP P	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	116.2	116.9	118.7	114.1	113.8	114.4
MINING	0.8	0.8	0.8	0.7	0.7	0.6
CONSTRUCTION	6.1	6.3	6.3	5.7	5.5	5.4
MANUFACTURING	7.7	7.8	7.8	7.8	7.8	7.7
DURABLE GOODS	5.0	5.1	5.1	5.3	5.3	5.1
NON-DURABLE GOODS	2.7	2.7	2.7	2.5	2.5	2.6
TRANSPORTATION & PUBLIC UTILITIES	7.9	7.5	7.9	8.1	8.2	8.0
TRANSPORTATION	3.8	3.8	3.8	3.8	3.9	3.8
RAILROAD	0.5	0.5	0.5	0.5	0.5	0.5
TRANSPORTATION EXCL. RAILROAD	3.3	3.3	3.3	3.3	3.4	3.3
PUBLIC UTILITIES	4.1	3.7	4.1	4.3	4.3	4.2
TOTAL TRADE	25.7	25.8	26.1	24.7	24.6	24.7
WHOLESALE	6.3	6.3	6.3	6.2	6.2	6.2
RETAIL	19.4	19.5	19.8	18.5	18.4	18.5
GENERAL MERCHANDISE & APPAREL	4.5	4.5	4.5	4.5	4.5	4.5
EATING & DRINKING PLACES	6.3	6.3	6.4	5.5	5.5	5.7
FINANCE, INSURANCE & REAL ESTATE	6.2	6.2	6.2	6.1	6.0	6.0
SERVICE INDUSTRIES	46.6	47.1	47.1	45.4	45.5	45.5
HOTELS, GAMING & RECREATION	31.3	31.7	31.6	29.0	29.0	28.9
PERSONAL	1.6	1.6	1.6	1.6	1.6	1.6
GOVERNMENT	15.2	15.4	16.5	15.6	15.5	16.5
FEDERAL	2.8	2.8	2.8	2.7	2.7	2.7
STATE & LOCAL	12.4	12.6	13.7	12.9	12.8	13.8
EDUCATION - STATE & LOCAL	5.0	5.2	6.7	5.2	5.1	6.4

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUL 1983	AUG 1983	SEP p 1983	JUL 1983	AUG 1983	SEP p 1983	JUL 1983	AUG 1983	SEP P 1983
MINING	528.04	533.89	532.16	43.0	43.3	43.3	12.28	12.33	12.29
CONSTRUCTION	584.91	576.29	595.43	35.6	34.8	35.4	16.43	16.56	16.82
MANUFACTURING	344.19	346.50	355.27	38.5	38.5	39.3	8.94	9.00	9.04
Durable Goods	365.19	365.19	375.25	39.1	39.1	39.5	9.34	9.34	9.50
Stone, Clay & Glass	440.30	439.25	467.88	40.1	41.4	40.3	10.98	10.61	11.61
Primary Metals	593.84	533.83	533.83	42.6	37.7	37.7	13.94	14.16	14.16
Nondurable Goods	309.00	314.63	320.54	37.5	37.5	38.9	8.24	8.39	8.24
Printing & Publishing	299.30	317.58	322.87	36.5	36.8	38.9	8.20	8.63	8.30
PUBLIC UTILITIES	462.15	478.99	469.40	39.5	40.8	40.5	11.70	11.74	11.59
TRADE	261.27	272.30	272.40	33.8	34.6	34.7	7.73	7.87	7.85

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUL 1983	AUG 1983	SEP p 1983	JUL 1983	AUG 1983	SEP p 1983	JUL 1983	AUG 1983	SEP p 1983
CONSTRUCTION	573.65	574.06	550.60	35.0	35.7	33.8	16.39	16.08	16.29
MANUFACTURING	424.44	423.93	406.27	39.3	39.0	38.4	10.80	10.87	10.58
Durable Goods	456.23	448.53	418.18	39.5	38.7	38.4	11.55	11.59	10.89
Nondurable Goods	378.50	387.50	388.85	38.9	39.3	38.5	9.73	9.86	10.10
TRANSPORTATION & UTILITIES	427.67	425.58	427.60	39.2	39.7	40.0	10.91	10.72	10.69
WHOLESALE TRADE	343.54	341.61	345.43	38.6	38.6	38.9	8.90	8.85	8.88
RETAIL TRADE	200.96	197.06	209.44	31.4	30.6	31.4	6.40	6.44	6.67

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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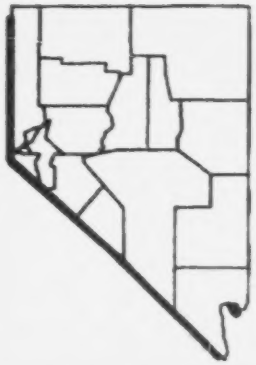

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC INDICATORS

Unemployment Rate
(Seasonally-Adjusted)

		OCT	NOV	DEC
Nevada -	1983	8.9	8.4	8.4
	1982	11.0	11.0	10.8
Las Vegas -	1983	9.5	9.2	9.2
	1982	11.4	11.8	11.9
Reno -	1983	7.1	6.8	6.9
	1982	9.1	8.7	8.3
U.S. -	1983	8.8	8.4	8.2
	1982	10.5	10.7	10.8

Consumer Price Index
All Urban Consumers
(1967=100)

	OCT	NOV	DEC
1983	302.6	303.1	303.5
1982	294.1	293.6	292.4

Gross Gaming Revenues
(In Thousands)

	3rd Qtr. 1983	3rd Qtr. 1982
Nevada	794,010	723,548
Las Vegas	486,782	455,477
Reno	177,376	155,887

Taxable Sales
(In Thousands)

	3rd Qtr. 1983	3rd Qtr. 1982
State	1,776,588	1,692,128
Las Vegas	943,057	891,938
Reno	445,658	407,033

NEVADA ECONOMY
4TH QUARTER 1983

Nevada's unemployment rate continued to drop during the fourth quarter from 8.9 percent in October to 8.4 percent in December. November's rate was also 8.4 percent. This is a big improvement over last year when the rate was 11.0 percent in October and November and 10.8 percent in December. One reason for the improvement is due to the strength of the national economy which posted declines in the unemployment rate during the fourth quarter. The United States rate moved from 8.8 percent in October to 8.2 percent in December. California, Nevada's neighbor to the west, ended the year with a 7.9 percent unemployment rate.

The reason for the improving picture in Nevada is twofold. First, the number of unemployed has not risen seasonally as sharply as previous years. There was an average of 42,500 people unemployed during the three months of the fourth quarter. Second, there has been a steady job growth during the fourth quarter resulting in lower unemployment rates.

After remaining somewhat stagnant during the first part of the year industrial employment appears to be picking up. December's total of 424,700 is 4.8 percent above last year's 405,100, or a gain of 19,600 jobs. Nearly half of that increase was due to hotel, gaming and recreation alone which accounted for 9,100 jobs of the 19,600 increase. Trade was up significantly over last December by 4,900 jobs reflecting a good Christmas season for that industry. Even construction, which is

normally slowing down during the fourth quarter, posted a 3,000 job gain over last December. Thus, compared with last year's fourth quarter, Nevada has shown steady improvement.

The outlook for the State in the following quarters will depend upon several factors. As long as the national picture, in particular the west, continues to improve, more tourists will continue to bouy Nevada's economy. Any reduction in interest rates will help the construction industry and relieve some of the pent-up demand for housing. With the continued growth throughout the State, Nevada should continue to experience a healthy economy and possibly a moderate, but steady, decline in the unemployment rate.

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LAS VEGAS AREA

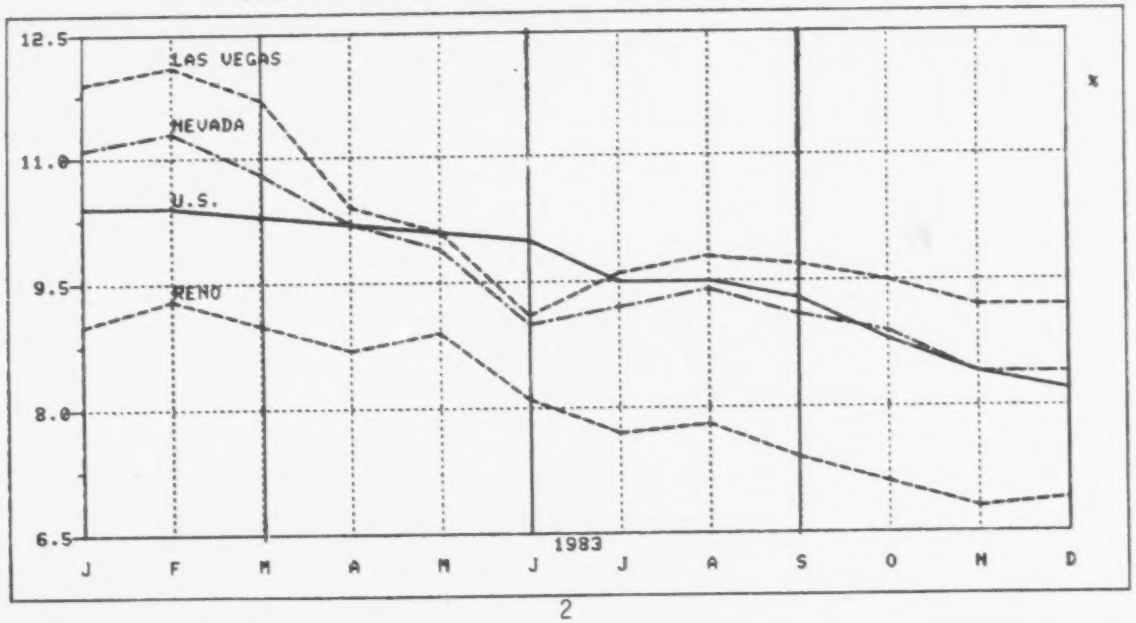
The economic health of Las Vegas continued to improve during the fourth quarter, as economic indicators for the area firmed up on a wide front. Despite a slight upward movement in unemployment during the third quarter, fourth quarter unemployment again reflected an improvement. Seasonally adjusted unemployment declined from 9.7 in September to 9.5 in October, then it fell three-tenths of a percentage point to 9.2 percent in November and December. Las Vegas unemployment levels still appear to be following national and regional trends. This would be expected since so much of Las Vegas business is tied to surrounding states like California.

Over-the-year improvement in unemployment is readily apparent. Fourth quarter 1983 unemployment averaged around 26,300 persons, a seasonally adjusted rate of 9.3 percent. In contrast, fourth quarter 1982 unemployment averaged 32,100 persons for an 11.7 percent rate.

Establishment based industrial employment also reflected improving conditions during the quarter. There was a total of around 1,300 new jobs created during this period. The establishment-based industrial employment for October, November, and December was 239,600, 240,000 and 240,900 respectively. The average number of jobs in the fourth quarter was 240,200. This is up significantly from the third quarter average of 237,700 jobs. Over the year, job growth has been even more evident. The average number of jobs during the fourth quarter 1982 was 229,000. This represents a gain of over 11,000 jobs (nearly 5 percent) during the year, much better than the 1981-1982 period. The following table shows over-the-year gains for the fourth quarter.

Seasonally Adjusted

U.S. and Nevada Unemployment Rates



Las Vegas
Average Fourth Quarter Establishment-Based Industrial Employment
1982-1983
(In Thousands)

	4th Q 1982	4th Q 1983	82-83 Change	Percent Change
Total	229.0	240.2	11.2	4.9%
Mining	.4	.4	0	0.0
Construction	12.4	13.7	1.3	10.5
Manufacturing	6.5	7.0	0.5	7.7
Transportation/Communication/Public Utilites	13.8	13.7	- 0.1	- 0.1
Trade	46.2	49.1	2.9	6.3
Finance/Insurance/ Real Estate	10.2	10.7	0.5	4.9
Service	111.4	117.6	6.2	5.6
Hotel/Gaming/Recreation	73.4	78.5	5.1	6.9
Government	28.1	27.9	- 0.2	- .7

Strong job gains were exhibited in construction, manufacturing, trade and services (specifically hotel/gaming/recreation sector). However, job losses were experienced by the transportation/communication/public utilities and government industries.

These job gains are also supported by other positive indicators in the economy. Tourist traffic has improved significantly as air passenger and vehicle counts, coupled with hotel/motel occupany rates, are all strong. Furthermore, gaming revenues and sales tax revenue increases bode well for both the tourism and trade sectors.

The outlook for the coming months continues to be optimistic. National and statewide unemployment rates are projected to continue to fall. Furthermore, personal income has increased substantially in the past year, providing more disposable income for individuals to spend on leisure activities - a commodity in which Nevada specializes.

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RENO AREA

During the fourth quarter of 1983, the seasonally-adjusted rate of unemployment for the Reno metropolitan area has dropped well below the year's highest level of 9.3 percent experienced in February. October's jobless rate dropped three-tenths of one percentage point to 7.1 percent. Joblessness declined further to 6.8 percent in November before increasing slightly to 6.9 percent at yearend. The December's rate was 2.4 percentage points below the February 1983 high, and was substantially below the December 1982 level of 8.3 percent. The current month's rate also compared very favorably with the Nation's 8.2 percent and Nevada's 8.4 percent. Further, the November and December rates were the lowest recorded during 1983. Total unemployment in the area during the fourth quarter was about 20 percent lower than a year ago. The jump in the number of unemployed from November to December was a normal seasonal occurrence from winter time layoffs in the service and construction industries. The Reno area was also impacted by the closure of a hotel/casino at the north shore of Lake Tahoe and seven-week labor-management dispute during the quarter with a major bus carrier.

Total jobs in the Truckee Meadows reached its highest level of the year in October 1983 when it stood at 118,700. It declined slightly to 118,200 in November and remained at that level in December. Dur-

ing this quarter, employment in services and its hotels/gaming/recreation component was stronger than anticipated. The employment drop of 1,600 for services, and 1,500 decline in its hotels/gaming/recreation sector was less than normal during this period. In contrast, employment in the trade industry jumped 1,100 during the quarter, with 700 of that gain experienced during December. This job increase was greater than anticipated for the Christmas shopping season. Employment in Government was up 300 during the quarter in its education sector, meeting anticipated levels for the period. The 400 job decline in the construction industry was normal for this time of year.

Employment gains in the fourth quarter were experienced by almost all industries when compared to the same quarter in 1982. The economy was led by sizable increases in the service industry and its hotels/gaming/recreation sector, the retail trade sector, and the construction industry. Strong gains were also reported for taxable gaming revenues for the second and third quarters of 1983.

A significant gain is also anticipated for the fourth quarter. Quarterly taxable sales revenues are also up considerably in the area. Revenues for the second quarter of 1983 were up only fractionally, six-tenths of one percentage point, over the year ago period. However, a substantial 9.5 percent increase was reported for the third quarter while similar gains of 8.1 percent and 10.9 percent were exhibited for October and November 1983 over the year ago periods. In November, air passenger traffic had increased for the ninth consecutive month over year ago counts. Also, automotive vehicle traffic exceeded year ago levels during the past eight months. Similarly, hotel/motel occupancy rates were well above year ago levels, and 1983 cumulative construction permits for single and multiple family residences are almost double the volume generated during 1982.

Many analysts feel that the signficant improvements to the national economy during 1983 will continue into 1984 and last beyond the presidential elections in November. Also contributing to a favorable outlook for Nevada and Washoe County is the vigorous recovery from the economic recession being made in the California economy, which experienced a December 1983 jobless rate drop to 7.9 percent. This was the lowest level it has been in 27 months. Consequently, joblessness in the Reno area should continue its downward trend throughout 1984.

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1983 Nevada Wage Survey

by

George Anastassatos, Labor Economist

The Research Section of the Employment Security Department has recently released the 1983 Nevada Wage Survey. This is an annual publication which provides monthly wage rate data for 96 occupations. The survey is designed as an aid for businesses, employees, government decision makers, as well as job seekers in making labor market determinations. Wage data was compiled for three geographic areas of the State: the southern area (Clark County); the northern area (Washoe and Douglas counties and Carson City); the rural area (State less Carson City, Washoe, Douglas, and Clark counties). Information shown for each surveyed occupation includes the number of firms, number of employees, and the weighted average minimum and maximum monthly salary, effective July 1, 1983. Also included in the publication are job descriptions, minimum wage information, union wage information and a wage conversion table.

A sample of private sector occupations (all industries except services) is presented below.

To receive a copy of this publication, contact the Research Section of the Employment Security Department, 500 East Third Street, Carson City, Nevada 89713, telephone (702) 885-4550, or in-state toll-free number 1-800-992-0900 extension 4550.

Occupation		Northern	Southern	Rural
Accountant (Principal)	Avg. Monthly Range	$2,038 - $3,197	$2,074 - $3,043	$2,327 - $3,333
	# Employees	19	25	9
	# Firms	18	20	7
Bank Teller	Avg. Monthly Range	$ 737 - $1,319	$ 722 - $1,267	$ 710 - $1,197
	# Employees	604	661	44
	# Firms	12	9	8
Cook (Short (Order)	Avg. Monthly Range	$ 730 - $1,052	$ 696 - $1,013	$ 941 - $1,149
	# Employees	64	144	89
	# Firms	12	16	12
Fork Lift Operator	Avg. Monthly Range	$1,100 - $1,420	$1,207 - $1,468	$1,309 - $1,661*
	# Employees	53	32	12
	# Firms	12	8	4
Key Punch Operator	Avg. Monthly Range	$ 943 - $1,188	$ 938 - $1,360	$ 996 - $1,395
	# Employees	43	43	6
	# Firms	17	15	5
Machinist	Avg. Monthly Range	$1,461 - $2,098	$1,043 - $2,040	$2,062 - $2,474
	# Employees	153	20	12
	# Firms	17	7	6
Stock Clerk	Avg. Monthly Range	$ 899 - $1,418	$ 751 - $1,148	$ 770 - $1,174
	# Employees	276	54	25
	# Firms	27	24	8

*Reported 50 percent or more employees as union members.

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Nevada's High Tech Profile 1/

by
Fred Couzens, Associate
Nevada Development Authority

With "high-tech" the panacea for most state, regional and local economic development organizations, it serves Nevada well to study and inventory the existing "high-tech" industries within its borders.

This report investigates the number of firms and level of employment of "high-tech" firms in Nevada. The basis for this investigation was the second quarter ES202 report compiled by the Employment Security Department. This report provides the number of firms and employment by industrial classification. It should be noted new firms have probably opened in the area after the data was generated since there is nearly a seven month lag. Using the Bureau of Labor Statistics 2/ definition of "high-tech", there were 266 such firms in Nevada during second quarter 1983. Almost half (131) were concentrated in computer and data processing services, (Standard Industrial Code (SIC) 737).

Of the 266 businesses, 111 were in 25 different three-digit manufacturing SIC categories. This equates to about one of every seven manufacturing companies in Nevada involved in "high-tech" manufacturing SIC's, only one, engines and turbines (SIC 351), was not listed in Nevada's compilation of businesses. As expected, Washoe County had a more diverse "high-tech" manufacturing environment, 18 of 25 categories. While Clark County and Carson City were represented in 13 and 11 manufacturing categories respectively, the other 14 counties were found in 12 SIC categories.

Clark County manufacturing firms were concentrated in chemicals (SIC's 281 and 289), communications equipment (SIC 366) and electronic components and accessories (SIC 367). Washoe County manufacturing activity was centered in communications equipment and electronic components and

accessories. In Carson City, a larger share of firms made aircraft and parts (SIC 372), measuring and controlling instruments (SIC 382) and electronic components and accessories. In the other rural counties, office, computing and accounting machines (SIC 357) dominated.

Of the 266 firms in the state, 58 percent were involved in services, particulary computer and data processing services (SIC 737) and research and development laboratories (SIC 7391), with the remaining 42 percent in manufacturing. In Nevada, this was not unusual since less than five percent of all firms were involved in manufacturing activities.

In Clark County, 71 percent of the "high-tech" firms were in the two service SIC's. This parallels local conditions in that there is a higher level of service-related firms, vis-a-vis all other firms. Some reasons for this are that the area possesses a majority of state's population and is a major tourist destination. Furthermore, the County is the center of several U.S. Government installations including the Defense Department's Nellis Air Force Base, the Department of Energy's Nevada Test Site and the Department of Interior's Bureau of Reclamation.

In Washoe County, the percentage of service-related firms was lower, 58 percent, while the percentage of manufacturing firms higher. Some of the possible reasons for this difference could include that the area has about one-fourth of the state's population and is still achieving its tourism potential. Also, Washoe County has a longer history of established manufacturing operations. In Carson City and the remaining counties, service-related firms accounted for 36 and 45 percent of those areas' "high-tech" companies.

In terms of levels of employment and maintaining confidentiality, only those SIC's listed with five or more firms (11 of all SIC's and 233 of the 266 firms) were studied. In Nevada, 56 percent of the 233 companies had three or fewer employees. Furthermore, 85 percent of the firms had 19 or fewer employees which appeared to be a common level of employment for all firms in all industrial employment categories.

In Clark County, 88 percent of the "high-tech" firms had 19 or fewer employees while Washoe County, Carson City and the remaining 14 counties had 85, 82, and 71 percent respectively.

Only 16 "high-tech" companies (seven percent) throughout Nevada had employment levels of 100 or more workers. The largest concentration of these "major employers" were in chemicals (three firms), computer and data processing services (three firms) and research and development laboratories (three firms). Of these nine major employers, five were located in Clark County, one in Washoe County, and three in the rural counties. Of all 16 major employers, six each were located in Clark and Washoe counties, while four were in the rural areas.

As Nevada looks to improve its "high-tech" profile, the wishes of corporate site selection experts should be kept in mind. Recent articles in professional publications written by these experts clearly point to one fact. They do rate taxes, transportation, utility, land, building costs, and "quality of life" as important site selection considerations. However, a paramount concern is labor; namely the availability, training and continued training of skilled and semi-skilled production workers, technicians and professionals (such as engineers) in a given area.

Consequently, the depth and breadth of good, quality education at the high school, community college and university levels is imperative if Nevada wants to succeed in attracting new and expanding "high-tech" industry to the Silver State.

1/ "High-tech", defined as High-Tech Group III by the Bureau of Labor Statistics in the November 1983 issue of Monthly Labor Review, pp. 50-58, as those "manufacturing industries with a proportion of technology-oriented workers equal to or greater than the average for all manufacturing industries, and a ratio of R&D expenditures to sales close to or above the average for all industries. Two non-manufacturing industries which provide technical supportto high-tech manufacturing industries are also included."

2/ Defintion derived by Richard Riche, Office of Productivity and Technology; Daniel Hecker, Office of Economic Growth and Employment Projections; and John Burgan, Office of Employment and Unemployment Statistics, Bureau of Labor Statistics.

WHERE HI-TECH 1/ INDUSTRY IS LOCATED IN NEVADA

SIC	INDUSTRY	STATE	CLARK	WASHOE	CARSON CITY	OTHER
281	Industrial Inorganic Chemicals	7	4	1	0	2
282	Plastic Materials and Synthetics	1	0	1	0	0
283	Drugs	3	2	1	0	0
284	Soaps, Cleaners and Toilet Preparations	1	0	0	0	1
285	Paints and Allied Products	1	0	1	0	0
286	Industrial Organic Chemicals	1	0	0	0	1
287	Agricultural Chemicals	2	0	1	1	0
289	Miscellaneous Chemical Products	10	5	2	1	2
291	Petroleum Refining	2	1	0	0	1
348	Ordnance and Accessories	1	0	0	0	1
351	Engines and Turbines	0	0	0	0	0
355	Special Industry Machinery, exc. Metalworking	6	1	4	0	1
357	Office, Computing and Accounting Machines	9	1	2	2	4
361	Electrical Transmission and Distribution Equipment	4	1	2	1	0
362	Electrical Industrial Apparatus	3	0	1	1	1
365	Radio and TV Receiving Equipment	4	4	0	0	0
366	Communication Equipment	13	5	7	0	1
367	Electronic Components and Accessories	16	5	6	3	2
369	Miscellaneous Electrical Machinery	4	2	1	1	0
372	Aircraft and Parts	6	0	3	3	0
376	Guided Missiles and Space Vehicles	1	0	0	1	0
381	Eng'g, Lab, Scientific and Research Instruments	4	0	3	1	0
382	Measuring and Controlling Instruments	6	1	1	3	1
384	Surgical, Medical and Dental Instruments	5	2	3	0	0
386	Photographic Equipment and Supplies	1	0	1	0	0
737	Computer and Data Processing Services	131	69	42	10	10
7391	Research and Development Laboratories	24	15	4	0	5
	TOTAL	265	118	87	28	33

1/ Hi-Tech Industry (defined by Richard Riche, Office of Productivity and Technology; Daniel Hecker, Office of Economic Growth and Employment Projections; and John Burgan, Office of Employment and Unemployment Statistics, Bureau of Labor Statistics) as those "manufacturing industries with a proportion of technology-oriented workers equal to or greater than the average for all manufacturing industries, and a ratio of R&D expenditures to sales close to or above the average for all industries. Two nonmanufacturing industries which provide technical support to hi-tech manufacturing industries are also included."

Career Information for Nevadans

by
Zina Turney, Labor Economist

The Nevada State Occupational Information Coordinating Committee (SOICC) is currently conducting a feasibility study regarding a statewide Career Information Delivery System (CIDS). This proposed computer-based system would provide national, state, and local information to individuals who are in the process of career exploration and/or conducting a job search. In addition, local economic information, employer data, and a planners supply/demand occupational file is also being considered.

Although much of this information is currently available in one publication or another, this computer-based system will save valuable time in retrieving information. Consequently, emphasis can be placed on acheiving the final goal - securing a job - instead of gathering data. Specific objectives of a CIDS are to:

1. help students and job seekers learn about and understand the range of career opportunities expected to be available in the future;

2. help entrants to the labor force become aware of occupations they would find acceptable and personally satisfying;

3. encourage persons in the process of career exploration and decision-making to seek out vocational information on their own;

4. increase awareness of major sources of occupational, educational and training information;

5. help people learn of educational and training opportunities and their relationship to occupations they may be exploring;

6. provide support for related programs, including career education, career and employment counseling, employment and training and educational planning. 1/

1/ Status of Statewide Career Information Delivery Systems prepared by the National Occupational Information Coordinating Committee.

In general, the information component of a CIDS includes the following:

1. Descriptive information about the occupation such as duties or tasks, special tools or equipment, related occupations, opportunities for promotion or career advancement, and working conditions.

2. Requirements of the occupation such as personal requirements, preparation requirements, and miscellaneous requirements such as licensing, certification, or examination.

3. Economic information about the occupation such as personal requirements, preparation requirements, and miscellaneous requirements such as licensing, certification, or examination.

4. Information on private vocational training schools, two- and four-year colleges, apprenticeships, and military.

Local economic information such as population, labor force, demographics, income, climate, acreage, education facilities, and tax structure would also be available for each county in Nevada. This information would be very useful to potential new employers to Nevada.

Another auxiliary file would include information from employers who wished to have specific information about their firm readily available to job seekers. This could include such information as firm location, industry, typical occupations for which the firm hires, employee training programs and method of recruitment.

The method of delivering such a statewide computer-based information system is currently being evaluated. Various alternatives such as a mainframe host computer to microcomputers are being studied.

Potential users of a Nevada CIDS are numerous and varied. The occupational information would be widely used by students in the secondary schools, community colleges, universities, and private schools. Libraries, Employment Security Department, JTPA, Welfare, Vocational Rehabilitation, and numerous other agencies that assist individuals in securing employment would find such a system very beneficial in accomplishing their goals.

Overall, this system would be funded largely through agency user fees. Through combining our efforts, we can secure this information system for Nevada and ultimately accomplish our goal of meeting the needs of both the job seeker and the employer.

If you would like more detailed information about the proposed Nevada CIDS, please contact:

Nevada State Occupational Information Coordinating Committee
505 East King Street
Kinkead Building, Room 601
Carson City, Nevada 89710
(702) 885-4577

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Nevada and the Trade Act

by
Patricia Brisbin, Statistical Clerk

The trade allowance (TRA and TAA) programs were created to assist workers who become unemployed as a result of competition by foreign trade imports with domestic products. The guidelines under which these benefit programs are administered were established by the Trade Act of 1974. Subsequent amendments made to the 1974 Act in 1981 affected some of the benefits paid to trade-impacted workers, but shifted the emphasis of assistance toward providing services enabling them to return to the labor force in an equivalent or better job as quickly as possible.

Legislation describes in detail the eligibility requirements for and scope of benefits to which a trade-impacted worker is entitled. The following is a brief summary of some of the benefits and services available to these workers. Initially, eligible workers are required to exhaust their Unemployment Insurance entitlement, including supplemental benefits, before receiving a trade adjustment allowance equal to their weekly benefit amount paid during the benefit year. The maximum benefit amount (including payments from all benefit programs available to the worker) which can be drawn is established as 52 times the claimant's weekly benefit amount. An additional 26 weeks of benefits may be provided to a worker in order to complete an approved training program. In fact, an affected worker may not be determined to be ineligible or disqualified from receiving benefits if he/she is in an approved training program after having left work which was not "suitable employment." Job search allowances may be available to support job searches out of the normal commute area when suitable work is not available or nonexistent. Finally, a worker may be eligible for relocation funds if he/she has been offered a job in another area.

State Employment Security Agencies are responsible for identifying trade-impacted workers and for providing necessary assistance to these workers. In addition to facilitating the benefit payment process, State Employment Security offices also provide the following services in order to better assist the worker in a self-directed job search: employment registration and counseling, vocational testing, job development, supportive services, classroom training, on-the-job training, and job search workshop.

In Nevada, trade act certification petitions are presently in effect for Kennecott Copper Company and Northern Nevada Railroad. A continuing glut of copper worldwide and depressed copper prices are the primary causes behind the shutdown of copper production in the Ely area, which has affected approximately 300 workers.

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The Role of the Mining Industry In Nevada Counties

by

Kimberly Spielman, Labor Economist

Nevada is now the primary source of several of the Nation's most valuable minerals. The State ranked number one in supply of gold, barite, magnesite, and mercury during 1982, and was the second largest supplier of diatomite, gem stones, and lithium. Nevada's increased significance in the national minerals market is reflected by a 91 percentage point increase in the number of mining employees between 1972 and 1982. During 1982, 6,621 persons were employed in the mining industry in Nevada, declining slightly after a record high of 7,854 employees in 1981. (Data from Employment Security Department (ESD) records, does not include self-employed persons.)

Much of the mining employment growth in the State has occurred in the "nonmetals" or "other" sector, indicated by an increase from nearly one-fourth of total mining employment in 1972 to more than one-third in 1982. This represents an additional 1,571 employees in nonmetal mining over the ten year period, for a 190 percentage point growth since 1972. Growth in the nonmetals segment of the industry has been primarily due to the development of industrial minerals mining. Barite and petroleum mining activity, in particular, have contributed to employment increases in this sector.

Table 1

Selected Factors Reflecting the Importance of the Mining Industry to Nevada, by County 1/

County	Mining as a % of Total Employment		Mining as a % of Total Payrolls	Value of Non-fuel Production in Nevada, By County 2/ (Thousands)		Contribution of Mining as a % of Total Property Tax 3/
	1972	1982	1982	1970	1980	1981-1982
Elko	2	4	15	$ 584	$17,098	16.7
Esmeralda	47	53	68	2,982	21,591	49.0
Eureka	54	67	77	8,285	W	75.9
Humboldt	4	2	10	W	12,089	19.5
Lander	45	54	70	25,853	87,335	84.4
Lincoln	5	7	7	334	13,282	17.3
Lyon	41	5	11	56,813	27,695	3.8
Mineral	2	5	8	96	6,468	30.3
Nye	6	17	18	2,515	45,566	34.9
Pershing	14	30	43	16,454	18,495	26.5
Storey	19	34	*	W	21,043	29.0
White Pine	27	12	20	49,283	W	47.7

1/ Counties in which mining employment accounts for 2 or more percent of total employment.
2/ U. S. Bureau of Mines.
3/ Nevada Department of Taxation (unpub. data).
W Witheld to avoid disclosing company proprietary data.
* Less than 3 firms.

Copper mining employment was large during 1972, but low prices and increased foreign competition since then have resulted in a large decline in the number of copper mining employees. If not for this drop, mining employment data would show a much more dramatic increase over-the-decade. Despite the growth in mining employment over the period, mining accounted for only 2 percent of total nonagricultural employment in Nevada during 1982.

Total employment figures alone, however, do not accurately reflect the importance of the mining industry to the State. The presence of a mine may create demand for jobs in other industries as well. Because mining is a very capital intensive industry, much revenue may be realized from taxes levied against mining firms.

When examined on a per county basis, the mining industry's importance to the State economy becomes more apparent. During 1982, persons employed in the mining industry comprised more than one-half of total employment (covered under the Nevada Unemployment Insurance program) in three counties. These areas, supplying gold and barite, have benefitted from strengthening minerals prices. Mining employment accounted for more than 10 percent of total employment in four other counties during 1982. The preceding table shows the percent of mining employment to total employment for 1972 and 1982 for those counties with a significant number of mining jobs.

Three counties experienced a decline in the percentage of mining employment to total employment over the 10-year period due to the fluctuating minerals market. A comparison of 1970 to 1980 Value of Nonfuel Production in the table above indicates the changing composition of the mining industry within the counties. Changes in percentage of mining employment to total employment have typically paralleled changes in value of production. For example, Lyon County experienced a 36 percentage point decline in mining employment as the value of nonfuel production fell by 51 percent from 1970-1980.

Another measure of the mining industry's impact upon Nevada counties is the percentage of mining payroll to total payrolls per county. Reference to the above table indicates that mining contributed 10 percent or more to total county payrolls in nine counties during 1982, and more than 50 percent in three counties. In addition, wages in mining typically exceed those of other industries. The average annual wage for mining in Nevada during 1982, $25,547, was second only to construction and well above the average annual wage for private industry of $16,027.

The mining industry is also a major source of tax revenue for many counties. Taxes are collected on the net proceeds of mine production and on mine property. During 1981-1982, mining accounted for more than 25 percent of total property taxes collected in eight counties (see table above).

Although mining employment comprises a small proportion of total nonagricultural employment in Nevada, this industry is vital to the economy of several counties. Growth and decline in various sectors of mining have occurred in the past decade due to fluctuating prices and demand. Future employment in the Nevada mining industry will continue to be dependent upon such factors, affecting the economies of many counties throughout the State.

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Nevada, Las Vegas, Reno Industrial Size and Wages

by

Robert Murdock, Labor Economist

Despite the economic slowdown, nationally and at the local level, the average number of firms and wages in the area continued to increase during 1982 1/. During 1982, the average number of firms in Nevada was 21,716, a two-tenths of a percentage point increase over 1981, while average wages increased to $16,496, up nearly 6 percent over the period. The Las Vegas area reflected relatively strong firm growth as

(Continued after tables)

Nevada, Las Vegas and Reno SMSA
Average Number of Firms and Gross Average Wage by Industry for 1981 and 1982

	1981		1982		% Change	% Change
	Average # of firms	Average Wage	Average # of firms	Average Wage	Number of firms	Average Wage
TOTAL						
Nevada	21,669	$15,584	21,716	$16,496	0.2%	5.9%
Las Vegas SMSA	10,260	15,494	10,469	16,383	2.0	5.7
Reno SMSA	6,493	15,361	6,494	16,106	0.0	4.8
MINING						
Nevada	409	23,124	394	25,296	- 3.7	9.4
Las Vegas	40	18,677	41	22,952	2.5	16.7
Reno	83	22,144	78	23,134	- 6.0	4.5
CONSTRUCTION						
Nevada	2,927	24,912	2,796	25,547	- 4.5	2.5
Las Vegas	1,380	25,429	1,364	25,181	- 1.2	- 1.0
Reno	806	24,272	736	24,716	- 8.7	1.8
MANUFACTURING						
Nevada	829	18,012	841	19,282	1.4	7.1
Las Vegas	331	19,149	339	20,202	2.4	5.5
Reno	319	17,870	322	19,449	.9	8.8
TRANSPORTATION/COMMUNICATION/PUBLIC UTILITIES						
Nevada	758	19,597	773	20,716	1.8	5.7
Las Vegas	318	19,560	334	20,468	5.0	4.6
Reno	230	19,944	237	21,238	3.0	6.5
TRADE						
Nevada	6,433	11,912	6,544	12,531	1.7	5.2
Las Vegas	3,119	11,716	3,180	12,391	2.0	5.8
Reno	1,888	12,981	1,918	13,525	1.6	4.2
FINANCE/INSURANCE/REAL ESTATE						
Nevada	2,123	15,184	2,103	16,106	- .9	6.1
Las Vegas	1,075	15,217	1,089	15,992	1.3	5.1
Reno	689	15,308	689	16,489	0.0	7.7
SERVICE						
Nevada	7,011	14,256	7,811	15,182	11.4	6.5
Las Vegas	3,616	14,529	4,038	15,443	11.7	6.3
Reno	2,230	12,807	2,140	13,613	8.1	6.3
HOTELS/GAMING/RECREATION						
Nevada	1,107	12,666	1,070	13,223	- 3.3	4.4
Las Vegas	557	13,607	544	14,275	- 2.3	4.9
Reno	292	11,012	280	11,492	- 4.1	4.4
GOVERNMENT						
Nevada	519	17,491	439	19,122	-15.4	9.3
Las Vegas	96	17,760	84	19,774	-12.5	11.3
Reno	85	18,381	74	19,664	-12.9	7.0

SOURCE: Employment Security Research, Employment and Payrolls 1981-1982.

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
CIVILIAN LABOR FORCE	496.9	496.2	501.7	493.2	485.4	489.3
UNEMPLOYMENT	41.2	41.0	45.4	50.9	52.2	56.2
UNEMPLOYMENT RATE	8.3%	8.3%	9.1%	10.3%	10.7%	11.5%
UNEMP. RATE (SEASONALLY ADJUSTED)	8.9%	8.4%	8.4%	11.0%	11.0%	10.8%
TOTAL EMPLOYMENT 1/	455.8	455.2	456.3	442.2	437.2	433.1
NONAGRICULTURAL EMPLOYMENT	450.5	451.1	452.5	437.0	433.1	429.3
AGRICULTURAL EMPLOYMENT	5.2	4.1	3.8	5.2	4.1	3.8
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.2	0.2	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	415.4	415.3	416.1	398.8	394.4	392.8
MINING	6.2	6.3	6.2	6.1	5.8	5.9
METAL MINING	4.5	4.6	4.6	4.0	3.9	3.7
CONSTRUCTION	21.6	21.1	20.8	19.8	18.8	18.2
MANUFACTURING	19.6	19.7	19.7	18.2	18.0	17.8
DURABLE GOODS	12.8	12.7	12.7	11.8	11.7	11.4
STONE, CLAY, & GLASS PRODUCTS	1.4	1.4	1.3	1.3	1.3	1.2
PRIMARY METAL INDUSTRIES	1.0	1.0	1.0	1.3	1.2	1.1
NON-DURABLE GOODS	7.0	7.0	7.0	6.4	6.3	6.4
FOOD PRODUCTS	1.6	1.6	1.6	1.4	1.4	1.3
PRINTING & PUBLISHING	3.1	3.1	3.2	3.0	3.0	3.1
CHEMICALS	0.7	0.7	0.7	0.7	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	24.9	24.9	25.0	24.9	24.8	24.8
TRANSPORTATION	13.2	13.3	13.4	13.0	12.8	12.8
RAILROAD	1.4	1.4	1.4	1.8	1.8	1.8
TRUCKING & WAREHOUSE	4.0	4.0	4.0	3.6	3.5	3.6
AIR	3.0	3.0	3.0	2.7	2.7	2.6
PUBLIC UTILITIES	11.7	11.6	11.6	11.9	11.8	11.8
TOTAL TRADE	82.5	83.8	85.4	78.4	79.0	80.4
WHOLESALE	14.0	13.9	13.9	13.5	13.4	13.4
RETAIL	68.5	69.9	71.5	64.9	65.6	67.0
GENERAL MERCHANDISE & APPAREL	12.9	14.1	15.4	12.9	13.6	14.6
FOOD STORES	9.4	9.6	9.7	9.4	9.4	9.5
AUTO DEALERS & SERVICE STATIONS	8.6	8.4	8.3	8.1	8.0	8.0
EATING & DRINKING PLACES	23.8	23.8	23.9	21.2	21.0	21.1
FINANCE, INSURANCE & REAL ESTATE	19.2	19.3	19.4	17.7	17.8	17.8
FINANCE	8.6	8.6	8.7	8.2	8.2	8.3
SERVICE INDUSTRIES	182.6	181.2	180.3	174.5	171.2	169.7
HOTELS, GAMING & RECREATION	118.0	117.0	116.2	113.8	111.2	109.4
PERSONAL	5.5	5.5	5.5	5.2	5.2	5.2
BUSINESS	20.0	19.9	19.9	18.3	17.8	17.7
MEDICAL & HEALTH	15.8	15.5	15.4	15.6	15.7	15.7
GOVERNMENT	58.8	59.0	59.3	59.2	59.2	58.8
FEDERAL	9.7	9.7	9.8	9.8	9.8	9.7
STATE & LOCAL	49.1	49.3	49.5	49.4	49.4	49.1
EDUCATION - STATE & LOCAL	21.5	21.9	22.2	21.1	21.2	21.0

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
CIVILIAN LABOR FORCE	279.0	279.3	283.2	275.9	274.5	275.0
UNEMPLOYMENT	25.8	25.3	27.6	31.0	31.5	33.8
UNEMPLOYMENT RATE	9.2%	9.0%	9.8%	11.2%	11.5%	12.3%
UNEMP. RATE (SEASONALLY ADJUSTED)	9.5%	9.2%	9.2%	11.4%	11.8%	11.5%
TOTAL EMPLOYMENT 1/	253.3	254.0	255.6	244.9	243.0	241.2
NONAGRICULTURAL EMPLOYMENT	252.3	253.3	254.9	244.0	242.3	240.5
AGRICULTURAL EMPLOYMENT	0.9	0.7	0.7	0.9	0.7	0.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.1	0.1	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	232.9	233.3	235.0	223.0	220.6	221.0
MINING	0.3	0.3	0.3	0.4	0.4	0.4
METAL MINING	0.1	0.1	0.1	0.1	0.1	0.1
CONSTRUCTION	12.9	12.7	12.8	11.9	11.2	11.3
MANUFACTURING	7.4	7.5	7.4	6.5	6.5	6.5
DURABLE GOODS	4.1	4.2	4.1	3.6	3.6	3.5
STONE, CLAY, & GLASS PRODUCTS	0.8	0.8	0.7	0.6	0.6	0.5
NON-DURABLE GOODS	3.3	3.3	3.3	2.9	2.9	3.0
FOOD PRODUCTS	0.6	0.6	0.6	0.5	0.5	0.5
PRINTING & PUBLISHING	1.5	1.5	1.5	1.4	1.4	1.5
CHEMICALS	0.6	0.6	0.6	0.7	0.7	0.7
TRANSPORTATION & PUBLIC UTILITIES	14.3	14.2	14.2	14.1	13.9	13.9
TRANSPORTATION	8.2	8.1	8.0	7.9	7.8	7.8
RAILROAD	0.5	0.5	0.5	0.7	0.7	0.7
AIR	2.5	2.5	2.5	2.3	2.2	2.2
PUBLIC UTILITIES	6.1	6.1	6.2	6.2	6.1	6.1
TOTAL TRADE	47.1	48.0	49.1	44.3	44.7	45.7
WHOLESALE	6.9	6.9	6.9	6.3	6.3	6.3
RETAIL	40.2	41.1	42.2	38.0	38.4	39.4
GENERAL MERCHANDISE & APPAREL	7.2	7.8	8.6	7.5	7.9	8.5
EATING & DRINKING PLACES	14.8	14.9	15.0	12.8	12.7	12.8
FINANCE, INSURANCE & REAL ESTATE	11.0	11.0	11.1	10.4	10.3	10.3
FINANCE	4.7	4.7	4.7	4.4	4.4	4.5
SERVICE INDUSTRIES	112.1	111.7	112.0	107.2	105.5	105.0
HOTELS, GAMING & RECREATION	71.2	71.3	71.6	69.5	68.3	67.7
PERSONAL	3.2	3.3	3.3	3.1	3.1	3.1
BUSINESS	14.3	14.1	14.0	12.6	12.0	12.0
GOVERNMENT	27.8	27.9	28.1	28.2	28.1	27.9
FEDERAL	4.9	4.9	4.9	5.0	5.0	5.0
STATE & LOCAL	22.9	23.0	23.2	23.2	23.1	22.9
EDUCATION - STATE & LOCAL	10.8	10.9	11.1	10.6	10.5	10.4

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
CIVILIAN LABOR FORCE	135.3	135.4	136.7	134.7	133.8	133.5
UNEMPLOYMENT	8.5	8.5	9.5	11.1	11.3	12.3
UNEMPLOYMENT RATE	6.3%	6.6%	7.2%	8.2%	8.4%	9.2%
UNEMP. RATE (SEASONALLY ADJUSTED)	7.1%	6.8%	6.9%	9.1%	8.7%	8.3%
TOTAL EMPLOYMENT 1/	126.8	126.5	126.8	123.6	122.5	121.6
NONAGRICULTURAL EMPLOYMENT	126.2	126.0	126.4	123.0	122.1	121.2
AGRICULTURAL EMPLOYMENT	0.6	0.5	0.4	0.6	0.5	0.4
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.1	0.1	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1983			1982		
	OCT	NOV	DEC P	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	115.8	115.7	115.4	112.2	111.6	110.7
MINING	0.7	0.7	0.7	0.7	0.7	0.7
CONSTRUCTION	5.5	5.7	5.4	5.1	4.9	4.6
MANUFACTURING	7.7	7.8	7.8	7.6	7.5	7.3
DURABLE GOODS	5.2	5.3	5.3	5.1	5.0	4.9
NON-DURABLE GOODS	2.5	2.5	2.5	2.5	2.5	2.4
TRANSPORTATION & PUBLIC UTILITIES	7.9	8.0	8.1	7.9	8.0	8.0
TRANSPORTATION	3.8	3.9	4.0	3.7	3.7	3.8
RAILROAD	0.4	0.4	0.4	0.5	0.5	0.5
TRANSPORTATION EXCL. RAILROAD	3.4	3.5	3.6	3.2	3.2	3.3
PUBLIC UTILITIES	4.1	4.1	4.1	4.2	4.3	4.2
TOTAL TRADE	25.0	25.5	26.1	24.1	24.5	25.0
WHOLESALE	6.0	6.0	6.0	6.1	6.1	6.1
RETAIL	19.0	19.5	20.1	18.0	18.4	18.9
GENERAL MERCHANDISE & APPAREL	4.8	5.2	5.7	4.7	5.0	5.4
EATING & DRINKING PLACES	5.6	5.6	5.7	5.1	5.1	5.2
FINANCE, INSURANCE & REAL ESTATE	6.3	6.3	6.3	6.0	6.0	6.0
SERVICE INDUSTRIES	45.6	44.8	44.0	44.1	43.1	42.2
HOTELS, GAMING & RECREATION	29.2	28.5	27.7	28.0	27.3	26.2
PERSONAL	1.6	1.6	1.6	1.5	1.5	1.5
GOVERNMENT	16.7	16.9	17.0	16.7	16.9	16.9
FEDERAL	2.8	2.8	2.8	2.7	2.7	2.7
STATE & LOCAL	13.9	14.1	14.2	14.0	14.2	14.2
EDUCATION - STATE & LOCAL	6.8	7.1	7.2	6.7	6.9	6.8

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	OCT 1983	NOV 1983	DEC P 1983	OCT 1983	NOV 1983	DEC P 1983	OCT 1983	NOV 1983	DEC P 1983
MINING	531.62	535.99	542.88	42.7	43.4	43.5	12.45	12.35	12.48
CONSTRUCTION	615.39	555.75	567.50	36.5	33.1	33.8	16.86	16.79	16.79
MANUFACTURING	356.32	369.95	362.88	38.9	40.3	40.5	9.16	9.18	8.96
DURABLE GOODS	383.50	390.31	384.81	39.7	40.7	41.2	9.66	9.59	9.34
STONE, CLAY & GLASS	468.26	486.48	459.22	42.3	38.7	41.9	11.07	10.71	10.96
PRIMARY METALS	643.85	586.14	586.14	39.5	41.6	41.6	16.30	14.09	14.09
NONDURABLE GOODS	308.18	332.99	324.23	37.4	39.5	39.3	8.24	8.43	8.25
PRINTING & PUBLISHING	309.75	338.75	326.02	37.5	39.9	40.2	8.26	8.49	8.11
PUBLIC UTILITIES	492.72	491.24	489.65	39.8	40.2	40.3	12.38	12.22	12.15
TRADE	267.87	269.51	262.29	33.4	33.9	33.8	8.02	7.95	7.76

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	SEP 1983	OCT 1983	NOV 1983	SEP 1983	OCT 1983	NOV 1983	SEP 1983	OCT 1983	NOV 1983
CONSTRUCTION	564.11	581.74	531.93	34.8	35.3	31.7	16.21	16.48	16.78
MANUFACTURING	406.21	419.93	447.72	39.4	39.1	41.0	10.31	10.74	10.92
DURABLE GOODS	410.55	435.05	457.30	39.1	39.3	39.8	10.50	11.07	11.49
NONDURABLE GOODS	397.19	396.92	431.85	39.6	38.8	42.8	10.03	10.23	10.09
TRANSPORT. & UTILITIES	432.52	461.70	448.84	39.9	40.5	40.4	10.84	11.40	11.11
WHOLESALE TRADE	347.90	350.60	353.25	38.4	37.1	37.5	9.06	9.45	9.42
RETAIL TRADE	201.96	203.44	212.04	30.6	30.5	31.6	6.60	6.67	6.71

nearly 200 new firms located in the area, a two percent gain. However, in Reno, the number of firms held constant between the 1981 and 1982 period.

When the changes in the number of firms are viewed by industry, between 1981 and 1982, signs of the economic downturn were evident. Construction firms declined in all areas, as would be expected. And, the number of government entities declined significantly. This was probably the result of the ending of the CETA program as all public service employment contracts were counted a separate government entities. Therefore, this was basically an accounting change, not a decline in government. However, government wages increased substantially, relative to other industries during the period. Other industries with a declining number of firms included mining and hotels/gaming/recreation. However, services as a whole reflected a strong gain in the number of firms and above average wage increases over the period.

The previous table presents a detailed industry by area look at the average number of firms and average wage in 1981 and 1982.

1/ Data was obtained from Employment Security Research, Employment and Payrolls 1981, 1982.

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Nevada Area Labor Review
by
Robert Murdock, Labor Economist

The 1983 version of the Nevada Area Labor Review is currently being distributed. This new publication provides an overview of economic development and a 1984 outlook for Nevada, Las Vegas and Reno. This years publication is different, in as much as it has been produced as a single issue instead of different publications for each area.

In the first section, National and State economic developments are presented combined with an outlook and residential population overview. In the following section, a review of Las Vegas economic developments and monetary indicators are provided. Then the outlook for the labor market is reviewed. In the next section, the Reno area economic development, monetary indicators and outlook are presented. Finally, the Appendix provides numerous tables containing various historical labor market information for the State and areas.

This publication is available for all interested parties. Copies may be obtained by contacting Employment Security Research at (702) 885-4550.

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Occupational Information for
Counselors and Planners
by
Robert Murdock, Labor Economist

Employment Security Research is currently developing the 1984 Occupational Information System (OIS) in cooperation with the State Occupational Information Coordinating Committee (SOICC). The 1984 edition represents a continuing effort to provide meaningful and useful occupational supply/demand data for planners and counselors. It is estimated the data will be printed and released by early March 1984.

This years OIS will include several revisions. As before, occupational projections are derived from the Occupational Employment Survey. However, the projections have been updated to reflect shifts in occupational staffing throughout the State and new projection techniques have been employed. This survey information is collected from nearly 10,000 employers throughout Nevada, representing almost 50 percent of the employers, and over 90 percent of employment.

A supply/demand interface is presented which reflects occupational supply gathered from all Nevada trainers. The supply data is crossmatched to the Occupational Employment Survey demand data.

This enables interested persons to reflect on occupational supply/demand relationships. The interface is in a somewhat different format in 1984, as similar occupations, such as those in marketing or electronics, are not only presented at the individual occupational program level but in a group of occupations known as a unit of analysis. These units enable a user to evaluate pertinent supply/demand relationships for a total occupational area as well as specific occupations.

For more information on the 1984 OIS contact the State Occupational Information Coordinating Committee, Kinkead Building, Carson City, telephone (702) 885-4577 or Employment Security Research, 500 East Third Street, Carson City, telephone (702) 885-4550.

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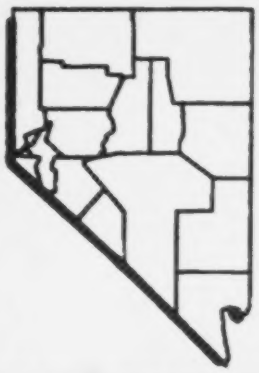

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC INDICATORS

Unemployment Rate
(Seasonally-Adjusted)

		JAN	FEB	MAR
Nevada -	1984	8.2%	7.7%	7.6%
	1983	10.9	11.3	11.3
Las Vegas -	1984	8.6	8.4	8.5
	1983	11.6	12.0	12.0
Reno -	1984	6.6	5.7	5.6
	1983	8.8	9.4	9.7
U.S. -	1984	8.0	7.8	7.8
	1983	10.4	10.4	10.3

Consumer Price Index
All Urban Consumers
(1967=100)

	JAN	FEB	MAR
1984	305.2	306.6	307.3
1983	293.1	293.2	293.4

Gross Gaming Revenues
(In Thousands)

	4th Qtr. 1983	4th Qtr. 1982
Nevada	$692,350	$599,497
Las Vegas	472,308	402,762
Reno	138,921	122,290

Taxable Sales
(In Thousands)

	4th Qtr. 1983	4th Qtr. 1982
State	$1,868,227	$1,642,093
Las Vegas	1,045,623	907,328
Reno	452,320	400,546

NEVADA ECONOMY
1ST QUARTER 1984

The Nevada statewide unemployment rate continued to drop during the first quarter of 1984. Starting in January the rate was 8.2 percent and moved to 7.7 percent in February and 7.6 percent in March. The March 1984 figure of 7.6 percent is 3.7 percentage points below March 1983's level of 11.3 percent which reflects the degree of the turnaround in the economy. The national unemployment rate continued its decline in the first quarter moving from 8.0 percent in January to 7.8 percent in both February and March. California, Nevada's giant neighbor, posted an 8.2 percent unemployment rate in March.

The March rate for Nevada is the lowest since October of 1981, nearly 2½ years ago. The number of unemployed has steadily been decreasing since February of 1983 when there were 58,400 unemployed. The number of jobless in March 1984 was 39,200 which is over 30 percent below last year's level. Claims for unemployment insurance are currently at pre-recession lows. For further declines in jobless to occur, significant job gains will be required.

The number of jobs grew by 6.5 percent from last year's level (March to March). This change reflected an increase of 25,300 jobs. Over 35 percent of that number was due to the hotels/gaming/recreation sector which created 9,000 more jobs than a year ago. In addition, construction was substantially up by 2,900 more jobs (or 16.7 percent) indicating the strength of the home building industry to keep pace with the demand. Every other sector of the economy showed higher em-

ployment than the previous years' level.

The outlook for the State continues to show an expanding economy, but at a much slower pace than previous months. With much of Nevada's economy tied to tourism, any improvement in the national picture, in particular the west, will continue to feed the economy. Interest rates could hinder Nevada's reviving construction sector and rising metal prices could cause a noticeable job increase in the mining sector. Overall, Nevada's unemployment rate should level off or drop only slightly as the pace of growth slows.

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LAS VEGAS AREA

During the first quarter of 1984, the Las Vegas economy was vibrant despite some signs of slower growth. Tourism was strong as continued healthy convention business further bolstered the economy.

Unemployment, which has reflected a downward trend over the past several months, appeared to reach a plateau during this quarter. The monthly seasonally adjusted unemployment rates during the period were 8.6 percent, 8.4 percent, and 8.5 percent respectively for a quarterly average of 8.5 percent. This was a substantial improvement over the first quarter of 1983 when unemployment averaged 11.9 percent. In terms of jobless individuals, nearly 8,000 fewer people were unemployed during the first quarter of 1984 compared to the first quarter of 1983.

The labor force has also continued to grow during the year, expanding to a first quarter average of 275,100 people in the Las Vegas metropolitan statistical area. This represents a growth over the year of around 2.5 percent.

The number of establishment-based industrial employment jobs has continued to exhibit strong growth patterns in most industries, reaching a quarterly average of 234,800 jobs. Growth has been steady, averaging nearly 6.5 percent between the first quarter 1983 and first quarter 1984. Several industrial areas have exhibited substantially higher increases in jobs, thereby spurring the economic recovery. Construction reflected strong job gains with an increase of 15.5 percent. This was paralleled in manufacturing, particularly durable goods manufacturing, which gained nearly 20 percent. Wholesale trade has also shown strong expansion increasing by over 13 percent over the year (see table).

LAS VEGAS
AVERAGE FIRST QUARTER ESTABLISHMENT-BASED INDUSTRIAL EMPLOYMENT
1983-1984
(In Thousands)

	1st Quarter 1983	1st Quarter 1984	Change	Percent Change
Total	220.5	234.8	14.3	6.49
Mining	.3	.3	0	0
Construction	11.0	12.7	1.7	15.45
Manufacturing	6.7	7.6	.9	13.43
Durables	3.6	4.3	.7	19.44
Nondurables	3.1	3.3	.2	6.45
Transportation/Communication/ Public Utilities	13.8	14.0	.2	1.45
Trade	43.9	47.2	3.3	7.52
Wholesale	6.1	6.9	.8	13.11
Retail	37.8	40.2	2.4	6.35
Finance/Insurance/Real Estate	10.2	11.1	.9	8.82
Service	107.1	113.9	6.8	6.35
Hotels/Gaming/Recreation	68.9	73.3	4.4	6.39
Government	27.5	28.0	.5	1.82

In the near future, Las Vegas unemployment will probably stay around the current level as the downward trend moderates. Job growth however, will still be respectable. But the increase in jobs will probably be somewhat less than the 6.5 percent growth rate recorded during the first quarter to first quarter period. This is evident as construction has slowed with the increasing interest rates. Furthermore, a less than expected number of jobs in retail trade during March may also be reflecting the national retail sales slowdown of recent weeks.

Another point of concern in the near term will be the primary and secondary effects of the major labor dispute between several unions and gaming businesses in Las Vegas. This could temporarily erode gains made during the recovery in the area. If the dispute is relatively short-lived, Las Vegas should have a strong summer and a healthy economy entering the fall of this year.

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RENO AREA

The job economy in the Truckee Meadows has improved sharply during the first quarter of 1984. These improvements are in tandem with significant advances made both on a national and statewide basis. During this period, the seasonally adjusted unemployment rate plummeted from 6.6 percent in January 1984 down to 5.7 percent in February. It declined further to 5.6 percent in March. The resultant drop of one full percentage point means that 2,100 fewer individuals are now unemployed. Here, advances in the economy have been due in part to a declining number of persons receiving unemployment benefit checks compared to the year ago quarter. Approximately 10,500 were estimated to be without employment in January 1984, dropping by almost 15 percent to 9,000 in February, and declining further to 8,500 in March. This level is considerably more favorable than the 9.7 percent jobless rate and the 14,200 unemployed in March 1983. On a percentage basis, unemployment declined by almost 41 percent between March 1983 and March 1984. In addition, March's jobless rate was the lowest it has been since August 1981. Further, Reno's rate continues to be well below those reported for Nevada and Clark County, although they too have also shown sizable reductions. Despite these improvements, there are still some negative factors at work. During this period, the Reno area was impacted by the closure of several manufacturing establishments with approximately 300 workers being laid off. Additionally, a small casino, a local utility company, and a wholesale distributor have furloughed 175 employees. The area also experienced the loss of two airline carriers who serviced the Reno-Las Vegas market. A major hotel/casino temporarily closed its doors during the month of January for preparation work on a hotel/tower addition in downtown Reno.

Establishment-based industrial employment increased by 1,500 during the quarter, and totalled 114,800 in March. This job gain exceeded expectations and provided impetus to a steadily improving economy. These increases were directly attributed to additional hiring in services and government. There were 1,200 jobs added to services, all of which occurred in hotels/gaming/ recreation. The increase in government was attributed to the reopening of schools for the Spring semester at the University of Nevada and Community College. Additionally, employment levels in trade exceeded expectations as consumer confidence and buying patterns continue to be strong. The remaining industries showed little or no change.

During the past 12 months, approximately 7,600 jobs were added to the payrolls of area employers, showing the healthy stature of the local economy. An employment growth rate of more than 7 percent was experienced for this period. This pace of growth is considerably faster than that experienced during the past several years. All industries shared in these job gains when compared to the year ago period.

As expected, a large portion of the increases occurred in the service, retail trade, and construction industries. Employment in the hotels/gaming/recreation sector of services has exhibited much vitality as evidenced by increases in quarterly gaming revenues. During the fourth quarter of 1983, revenues jumped by 8.2 percent when measured in real (1982) dollars over the year ago quarter. This increase was greater than the 7.9 percent year to year gain reported for the third quarter of 1983. Quarterly taxable sales data also showed positive advances over 1983 periods. Consumer spending has also quickened the pace of a rebounding local economy as a 9.1 percent gain (when measured in real (1982) dollars) was reported for the fourth quarter of 1983. This spending pace was well above the 5.6 percent increase reported for the third quarter of 1983, the area's prime tourist season. Tourism to the Truckee Meadows has been especially strong. Air traffic passenger counts and vehicle traffic volume have increased substantially due, in part, to the area's excellent winter activities as well as a major sporting event being held for four months at the Reno-Sparks Convention Center. Hotel/motel occupancy levels have also remained at high levels during 1984.

Employment gains in construction have also buoyed the area's economy. Many construction projects are in various stages of completion while others are expected to begin in the near future. Cumulative 1984 building permit activity for single and multiple family residences are up 25 percent over 1983 levels. Further, permit activity for 1983 was up by 89 percent over 1982 levels. In spite of the closing of several manufacturing plants and layoffs at others, manufacturing employment has continued to grow at an 8-10 percent range during the first quarter. The job levels of each of the remaining four major industrial groups showed a gain of 200 jobs or less during this time period.

The dramatic nine-tenths of one percentage point drop between January and February 1984 is not expected to be repeated. However, Washoe County's unemployment situation during the second quarter of 1984 is expected to continue to improve, although at a somewhat slower pace. The downward trend in unemployment is premised on declining numbers of individuals receiving unemployment benefit checks as well as an advancing national economy. In addition, this will be aided by job gains in the services, construction, and trade industries as favorable weather conditions persist, and as the prime tourist season approaches.

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Data Revisions
by
Dan Culbert, Labor Economist

Each year, with the release of data for January, the Employment Security Research Section introduces data revisions for the prior two years. Information for January and the subsequent 11 months will be carried forth to coincide with this updated data.

The questions naturally arise - Why is the data revised? and What is the effect of the change? The answer is two-fold and relates to each series being revised.

Establishment-Based Industrial Employment Estimates

This series, often referred to as the Current Employment Statistics (CES), is derived by information obtained from over 1,300 employers throughout the State of Nevada. Currently, these sample reporters comprise about 42 percent of Nevada's nonagricultural wage and salary employment. The relative change in employment for these sample firms help determine the change for the industrial data. However, as is the case with all sample surveys, there is a tendency for the estimates to differ from the actual series. In the case of employment, the actual series is compiled by the data filed on the quarterly contribution report by all employers in the State. This is not as timely as the CES program and so cannot be used in the "current" series. It can however, be used to check previously estimated data. This check then, becomes the data revision for the series.

The estimates for 1982 and 1983 were generally optimistic, giving a somewhat erroneous impression that the recession was not as severe as it was. Job declines were understated, particularly in the first several months of 1983. However, the strength of the recovery was evident in the latter portion of 1983. The following table shows the revised State, Las Vegas, and Reno job estimates for major industries since 1981.

The job decline between 1981 and 1982 for Nevada was the first experienced since prior to 1950. Las Vegas has enjoyed a similar record while Reno had a small decline in the late 1960's with the reduction of employment at Stead Air Force base.

LABOR FORCE

Labor force data is revised to reflect new employment levels from the CES as well as to incorporate data derived from separate statistical surveys. The revised estimates for the labor force series showed little change over preliminary 1983 data.

In Nevada, unemployment rates peaked in February and March at 11.3 percent and generally declined in the subsequent months. Las Vegas achieved its peak somewhat earlier with a 12.1 percent rate in November and December of 1982. Unemployment remained essentially unchanged through March of 1983 before starting a steady decline. Reno, on the other hand, did not experience as severe an impact as other areas. Nonetheless, the rate reached 9.7 percent in March of 1983.

NEVADA

	1981	1982	1983
Total	411.2	401.1	404.9
Mining	7.9	6.6	5.9
Construction	25.4	20.0	19.7
Manufacturing	20.1	18.8	19.0
Transportation/Communication/ Public Utilities	25.1	24.9	24.5
Trade	83.6	79.9	80.4
Finance/Insurance/Real Estate	18.3	17.9	18.6
Services	173.7	174.8	178.8
Government	57.1	58.2	58.0

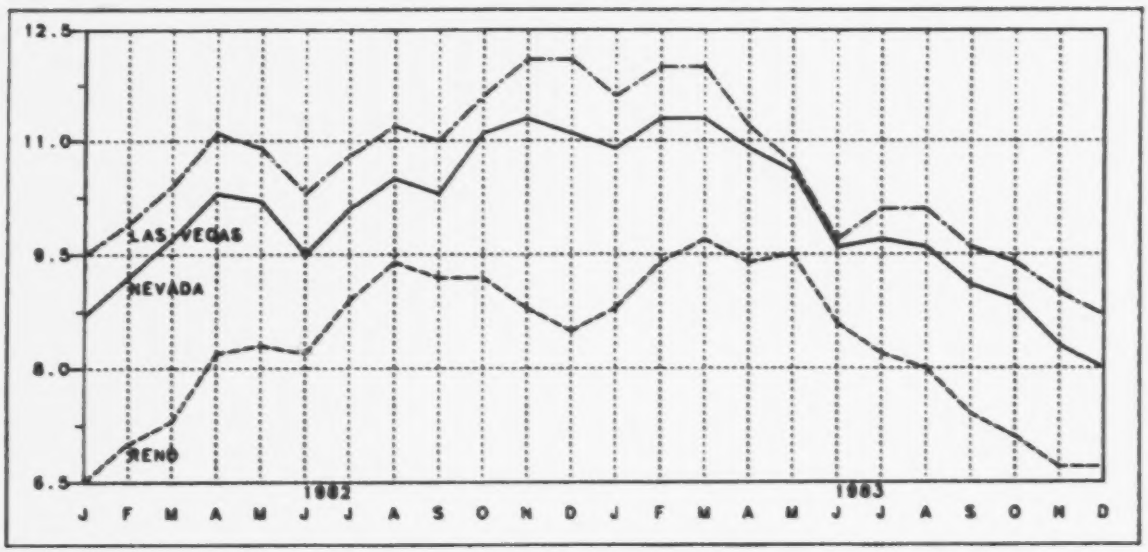
LAS VEGAS

	1981	1982	1983
Total	228.4	224.1	228.5
Mining	0.6	0.5	0.3
Construction	14.5	12.0	12.1
Manufacturing	7.3	6.6	7.1
Transportation/Communication/ Public Utilities	13.9	13.9	13.9
Trade	48.1	45.5	46.1
Finance/Insurance/Real Estate	10.4	10.3	10.7
Services	107.2	107.8	111.0
Government	26.4	27.5	27.3

RENO

	1981	1982	1983
Total	114.6	112.4	111.7
Mining	0.9	0.7	0.6
Construction	6.4	5.0	5.0
Manufacturing	8.3	7.8	7.4
Transportation/Communication/ Public Utilities	8.2	8.2	7.9
Trade	25.0	24.3	24.3
Finance/Insurance/Real Estate	6.1	6.1	6.2
Services	43.6	43.8	43.8
Government	16.1	16.5	16.5

Seasonally Adjusted
Nevada Unemployment Rates



Estimates in Thousands

	1982 Annual Average	1983 Annual Average
Nevada		
Labor Force	483.0	487.0
Unemployment	49.0	48.0
Unemployment Percent	10.1%	9.8%
Employment	434.0	439.0
Las Vegas		
Labor Force	269.0	272.4
Unemployment	29.4	28.1
Unemployment Percent	10.9%	10.3%
Employment	240.0	244.3
Reno		
Labor Force	132.4	132.5
Unemployment	10.9	11.0
Unemployment Percent	8.2%	8.3%
Employment	121.5	121.5

For detailed revisions of both the CES series and labor force series, contact Employment Security Research at (702) 885-4550.

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Wages in the Las Vegas
Hotel/Motel Industry
by
Robert Murdock, Labor Economist

The Bureau of Labor Statistics recently completed a wage survey of selected occupations in the Las Vegas hotel/motel industry. The survey included firms in the Standard Industrial Codes (SIC) 7011 (hotel, motel or tourist court) and 7999 (amusement and recreation services, not elsewhere classified, i.e., casinos). The survey was conducted during September 1983. Sample data was obtained from 35 employers, employing 35,542 workers. This sample was representative of 112 firms who employed 66,711 people throughout the industry.

The occupations surveyed were from two groups, tipped occupations and nontipped occupations. Also, two general occupational areas were examined, room service occupations and food service occupations. As would be expected, the occupational earnings of tipped occupations were significantly less than nontipped occupations.

Average straight time hourly wages of workers in the tipped occupations ranged from $5.03 for cocktail waiters and waitresses, to $10.16 for service bartenders. On the other hand, nontipped occupations ranged from $6.58 per hour for lodging quarters cleaners to $14.45 for stationary engineers. The following tables reflect some of the survey's results.

Tipped Occupations	Number of Employees	Average Per Hour
Room Service		
Bell Person	693	$ 6.03
Food Service		
Bartender, Public Bar	212	$ 9.26
Waiter/Waitresses, Assistant Full Course Restaurants	1,678	$ 5.26
Waiter/Waiters, Cocktail Lounge	2,005	$ 5.03
Waiter/Waitress, Table Full Course Restaurant	3,072	$ 5.06

Nontipped Occupations	Number of Employees	Average Pay Per Hour
Room Service		
House Porters	2,453	$ 7.28
Lodging Quarters Cleaners	5,024	$ 6.58
Front Desk		
Cashier, Checkout	277	$ 9.07
Room Clerks	855	$ 7.90
Food Service		
Dishwashers	1,708	$ 7.13
Pantry Workers	520	$ 9.49
Second Cooks	29	$10.55
Maintenance		
Stationary Engineers	592	$14.45
General Maintenance		
Mechanics	121	$ 8.30

The survey provided other information such as occupational wages by sex. In the tipped occupations, hourly earnings of women were higher in most of the occupations surveyed. Some of these wages included:

Occupations	Number of Employees	Average Pay Per Hour
Waiter/Waitress Assistant, Full Course Restaurant		
Men	1,146	$ 5.25
Women	521	$ 5.27
Waiter/Waitress Assistant, Other Than Full Course Restaurant		
Men	240	$ 5.11
Women	167	$ 5.22
Waiter/Waitress, Table, Full Course, Restaurant		
Men	1,271	$ 5.02
Women	1,756	$ 5.08

However, the wage differential between the sexes was slightly in favor of men in the nontipped occupations. Some of these wages are shown below.

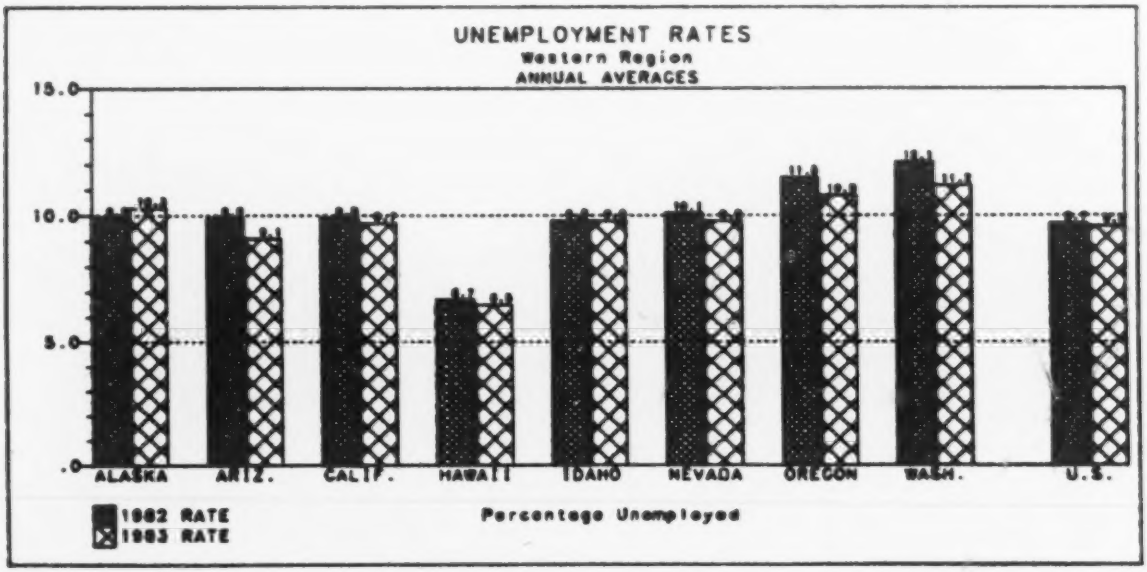
Occupations	Number of Employees	Average Pay Per Hour
Room Service		
House Porters		
Men	1,936	$ 7.29
Women	485	$ 7.26
Front Desk		
Cashier, Checkout		
Men	64	$ 9.07
Women	210	$ 9.07
Room Clerks		
Men	337	$ 7.96
Women	511	$ 7.85
Food Service		
Dishwashers		
Men	1,549	$ 7.13
Women	141	$ 7.12
Pantry Workers		
Men	181	$ 9.42
Women	331	$ 9.52

For further information on this survey and other wage and occupational data contact the Labor Market Information Unit of Employment Security Research in Carson City, telephone (702) 885-4550.

Nevada Unemployment Rates
by
Kenneth Sceirine, Labor Economist

According to data derived from the Bureau of Labor Statistics, unemployment rates were generally lower in 1983 than in 1982. More than onehalf of the 50 states and D.C. had lower annual averages in 1983 than in 1982. For the Nation as a whole, the annual average unemployment rate was essentially unchanged from 9.7 percent in 1982 to 9.6 percent in 1983, even though unemployment at the end of 1983 was significantly lower than in December 1982 which was the peak of national unemployment rates. The national unemployment rate reached a peak of 10.8 percent in December 1982 (the highest since World War II). Since then, the national rate has steadily dropped to 7.8 percent in March 1984. Higher than average unemployment rates tended to center in the more highly industrial states (Michigan, Illinois, Indiana, Ohio, Pennsylvania) and the resource-rich Pacific Northwest (Alaska, Washington and Oregon).

Seven of the eight western region states (Alaska, Hawaii, California, Idaho, Nevada, Arizona, Oregon, and Washington) had equal or lower rates in 1983 than in 1982. Alaska (9.9 to 10.3) was the only state in the region to post a higher rate in 1983 and Idaho, at 9.8, had the same average both years. The remaining six states all showed improvements in lowering their unemployment rates. However, with the exception of Hawaii (6.7 to 6.5), the western states' unemployment rates were generally higher than the national average during both '82 and '83. In the 1982 to 1983 period, the Pacific Northwest states, Washington (12.1 to 11.2) and Oregon (11.5 to 10.8), were hard hit with high interest rates affecting construction and causing a depressed wood and timber industry. Nevada (10.1 to 9.8), likewise, has experienced high unemployment rates due to a slack in consumer income to feed its heavy tourism sector. Although Nevada did not fare as well as Hawaii and Arizona (9.9 to 9.1), its economy did not experience the large outflow of jobs that plagued Oregon and Washington.



Although Nevada's rate dropped only three-tenths of a percentage point from 10.1 to 9.8 during 1982-1983, there was considerable fluctuation from county to county. Clark County, which accounts for about 60 percent of the total population in Nevada, tended to have higher unemployment rates (10.9 to 10.3) than the State as a whole, due in part to the service industry and the recessionary pressures from major markets namely Southern California. On the other hand, Washoe County, which accounts for about 25 percent of the population, showed little improvement in annual averages from 1982-1983 with rates of 8.2 to 8.3, respectively. Reno has historically had a lower rate than Las Vegas due to greater economic diversification and lower growth rates. The remaining counties were greatly influenced by mining employment stemming from depressed metal prices, expanding casino operations in far flung areas such as Wendover, a slowdown of growth in government employment, and overall lethargy due to the national picture (see chart for individual county rates).

The county annual averages do not give a clear picture of the change that has occurred in the State of Nevada since the trough in February 1983. During 1982, the unemployment rates were rising throughout the whole year. However, during 1983 the rates peaked during February and began to slide throughout the year as the recovery took place. Thus, the yearly averages reflect the advance and retreat of the recession, but give no indication of the high recessionary peak which occurred at the beginning of 1983. It is interesting to note the drop in county unemployment rates from their high in March 1983 to March 1984. The State of Nevada during this period moved from 11.3 percent to 7.6 percent. This decline of 3.7 percentage points is a tremendous drop indicating a rapidly improving economy. By all estimations Nevada will tend to mirror national and regional trends as the recovery moves out of its accelerating growth stage and into a more stable growth pattern.

NEVADA
County Unemployment Rates

	Annual Averages		Month of March		Percentage Point Difference From March 1983 to March 1984
	1982	1983	1983	1984	
Carson City	11.5	11.1	12.8	8.3	- 4.6
Churchill	13.2	13.6	15.8	9.7	- 6.1
Clark	10.9	10.3	12.0	8.5	- 3.5
Douglas	10.1	8.9	10.2	5.8	- 4.4
Elko	8.4	8.2	10.2	6.7	- 3.5
Esmeralda	13.1	17.5	16.6	16.9	+ .3
Eureka	13.3	11.3	14.7	8.9	- 5.8
Humboldt	10.4	11.2	13.4	8.9	- 4.5
Lander	9.2	12.5	17.8	7.4	-10.4
Lincoln	11.3	9.0	12.5	6.2	- 6.3
Lyon	12.8	12.4	13.9	9.2	- 4.7
Mineral	8.3	7.6	8.8	5.5	- 3.3
Nye	7.9	8.0	10.7	5.0	- 5.7
Pershing	6.4	6.5	7.9	6.6	- 1.3
Storey	12.1	16.6	15.2	14.3	- .9
Washoe	8.2	8.3	9.7	5.6	- 4.1
White Pine	14.3	18.0	18.4	15.6	- 2.8
State	10.1	9.8	11.3	7.6	- 3.7

The Economic Recovery: Another Barometer

by
Gary Lungstrum, Labor Economist

Nationwide the economic recovery is now a little over a year old. Similar to past recessions, the consumer has proven to be the key to improved business activity. Job gains, tax decreases, lower inflationary pressures, and a pent-up demand for "big ticket" retail items have resulted in increased consumption; it has also stimulated production. Additionally, successive improvements in the economy have resulted in increased consumer confidence.

Indeed, retail sales, housing and automobile purchases have been quite vigorous. Yet all of this has occurred despite relatively high interest rates. The specter of this potential impediment to growth, however, has been largely offset through creative financing in the housing market and product price discounts elsewhere.

In 1983, National inflation adjusted disposable personal income (personal income less personal tax and nontax payments) rebounded vigorously. In fact, its rate of expansion, 3.2 percent, was not too dissimilar from the growth exhibited following the 1974-75 and 1980 recessions. This income gain, as indicated above, resulted in a virtual explosion of durable goods expenditures; gains were in the neighborhood of 12 percent. Although growth in nondurable and service expenditures were not as dramatic, the gains were impressive at 3.2 and 2.7 percent respectively. There is also a significant difference in the volume of dollars spent. Expenditures for nondurable goods are approximately three times that of durable goods, and compared to service expenditures the ratio is still larger. Significantly, growth in spending for personal services has averaged just under 3 percent over the last five years, and this includes two recessions.

By way of comparison, inflation adjusted disposable personal income in California and Nevada has historically shown more vigorous growth than the Nation as a whole. This also holds true for the last several years. But, when viewed on a per capita basis, several noteworthy factors become evident. California and Nevada income levels are considerably higher than that of the nation; and in the last several years, growth in the West has been more volatile. Income gains, particularly in Nevada, in 1981 were less expansive, while the 1982 declines were more severe. Income in 1983 will show the same upward pattern as the nation.

Table 1
Per Capita Disposable Personal Income
(Inflation Adjusted)*

	United States	Percent Change	California	Percent Change	Nevada	Percent Change
1980	$ 9,228	--	$10,575	--	$10,453	--
1981	9,408	+ 2.0%	10,743	+ 1.6%	10,530	+ 0.7%
1982	9,390	- 0.2	10,609	- 1.2	10,182	- 3.3
1983	9,607	+ 2.3	NA		NA	

NA = Not Available
*1982 dollars (deflated by personal consumption expenditure component of the GNP implicit price deflator).

Concurrent changes in the inflation adjusted amount of consumer installment credit outstanding at commercial banks in the 12th Federal Reserve District (nine western states) also reflects a growth differential. Beginning in 1980, losses were evident in both areas, and they continued through 1983. During the 1983 recovery period, however, credit expansion nationally (6.0 to 6.5 percent growth) far surpassed that of the Western Region (estimated at 2.5 to 3.0 percent). It's possible that the change in income levels experienced over the last several years, such as that which occurred in California and Nevada, has dampened credit purchases. Alternatively, it is also conceivable that westerners are repaying debt at a quicker pace. However, the rate of expansion following a recession is usually quite vigorous. After the 1974-75 slowdown, credit amounts outstanding grew at the double digit level.

The Nevada experience indicates that consumer spending has indeed been sluggish. In 1983, inflation adjusted taxable sales were nearly one percent below the 1982 level. This was the fourth consecutive year of decline. Lethargic spending is also evident in inflation adjusted gaming revenues, although unlike taxable sales some growth occurred in 1983. This subdued activity further suggests that government operations will be impacted as tax monies collected are generally distributed to the general fund and to various city/county entities.

Table 2
Nevada
(Thousands of Dollars)

	Taxable Sales (Inflation Adjusted)	Percent Change	Gross Gaming Revenues (Inflation Adjusted)	Percent Change
1980	$7,221,393	--	$2,744,698	--
1981	7,010,228	- 2.9%	2,713,931	- 1.1%
1982	6,545,303	- 6.6	2,627,283	- 3.2
1983	6,488,044	- 0.9	2,688,187	+ 2.3

NOTE: Taxable sales deflator is CPI commodities less food index (1982 dollars). Gaming revenue deflator is CPI entertainment services index (1982 dollars).

What then might be expected for 1984? Business activity nationally will continue to expand, but at a slower more sustainable pace. Interest rates have shown some upward pressure recently, as reflected by the increase in the prime interest rate. However, it is not expected that the economy will overheat. Recent forecasts suggest that 1984 fourth quarter inflationary pressures will only approximate five percent. Additionally, the unemployment rate is expected to ease further to around 7.5 percent of the civilian labor force.

Nevada growth, assuming a minimal negative impact from the current southern Nevada gaming work stoppage, will also continue. In fact, job gains could easily range in the neighborhood of 5 to 5.5 percent. In part, this will be realized due to the impact of the 1980 and 1982 recession on Nevada business. At that time the State found it was no longer immune to slowdowns in the national economy as both gaming related employment and revenues suffered losses. This, combined with increased Atlantic City competition, is now being translated to an industry on the rebound as new operating efficiencies and aggressive marketing strategies come into place. This will be bolstered further by continued job and income growth in California. On balance, and only facing moderate inflationary pressures, real gaming revenues should exceed last year's growth by a significant margin, expanding by 5 percent or more. Real taxable sales will also benefit from expanding jobs and growing income this year and should show a positive growth rate.

EXPLANATORY NOTE

Statistical data series that are expressed in dollars are usually adjusted for the effects of inflation when used in an analytical context. The resulting product is also known as "real", "constant", or "deflated" dollars. Using consumer income as an example, gains may appear over time when increases in living costs are not accounted for. When adjustments in living costs are accounted for, real income will actually be less. This decreases consumer purchasing power. This same principle also applies to business and government related finance.

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New Business Growth in Nevada

by

Kim Spielman, Labor Economist

During the 1970's, nationwide employment in private service industries grew at a faster rate than any other sector of employment. Over the 1973 to 1983 period, the proportion of employees on nonagricultural payrolls in service industries rose from 17 percent to 22 percent of total employees (U. S. Department of Labor). Nevada has followed this national trend toward service industry growth. The service industries include hotels/gaming/recreation firms, as well as those providing a personal, business, health, or social service. During 1973, employment in service industries accounted for 39 percent of the State's total establishment-based industrial employment. By 1983, service sector employment had increased to 44 percent of total employment (Employment Security Department records).

Within the service industries, the portion of hotels, gaming, and recreation employment in Nevada increased from 26 percent to 29 percent of total employment during this period. More than three-fourths of the State's employment is found in gaming and other "service-producing" industries such as trade and transportation. Total trade employment in Nevada accounted for one-fifth of total employment during 1983.

The concentration of service industry and tourism-related employment has historically lessened the impact upon Nevada's economy during recessionary periods. During the 1982-1983 recession, however, the State was not immune to the economic slump felt nationwide. Since the gaming industry no longer guarantees a strong business climate, Nevada's leaders have begun to promote diversification of the State's economic base beyond gaming and tourism-related employment.

One measure of Nevada's progress toward economic diversification is the number and industrial classification of newly-opened businesses in the State. A "new" firm is defined here as (1) one beginning operation for the first time; (2) sale of an existing firm to a new owner; (3) change in the form of ownership of an existing firm; (4) reopening of a previously existing firm after a closure period. Data used in this analysis was obtained from the second quarter reports compiled by the Employment Security Department. "New" firms are identified as those in existence during June 1983 but not during June 1982. Although these statistics change continuously, those reported here are intended to provide a general picture of the trends taking place in Nevada. Examination of newly-created firm characteristics may reveal insights into the State's changing economy.

Approximately 3,800 new firms came into existence during the 1982-1983 period studied, as shown in the following table. In every county, the majority of recently-opened businesses were either trade or service firms. Statewide, the largest number of new firms fell in the service industries, comprising 34 percent of all new businesses. Within services, the majority of new firms fell in the business services classification. Included in this category are certain high technology businesses, such as computer and data processing services and research and development laboratories, and other services for businesses such as consulting and advertising. The number of new trade firms accounted for 29 percent of all new-opened businesses, second to services. Hotel, gaming, and recreation firms accounted for only 4 percent of total new firms in the State, indicating that perhaps the gaming industry is nearly a nature sector of Nevada's economy.

Table 1
New Nevada Businesses Opened
June 1982 to June 1983
By County

County	Total Number	Number With More Than 20 Employees	Number Service Industry Firms	Number Trade Firms
Churchill	62	4	14	19
Clark	1,904	115	708	540
Douglas	140	5	36	35
Elko	105	6	30	31
Esmeralda	4	*	*	*
Eureka	8	*	*	*
Humboldt	60	5	13	19
Lander	12	*	*	*
Lincoln	9	*	*	*
Lyon	66	*	14	30
Mineral	26	*	8	5
Nye	55	*	8	23
Carson City	193	8	72	56
Pershing	21	*	8	6
Storey	11	*	*	9
Washoe	1,063	55	372	323
White Pine	34	*	11	12
Multi-County	44	*	6	9
Total	3,817	211	1,309	1,128
Percent of Total New Firms	--	6.0	34.0	30.0

* Indicates 3 or fewer firms

Examination of the geographic location of new firms indicates that the Las Vegas and Reno/Sparks areas attracted over three-fourths of the recently opened firms (Table 1). Analysis on a per county basis reveals that the larger population centers of the State (including Carson City and Douglas County) attracted more new service industry firms, while a larger number of trade firms opened in the smaller counties. This reflects the urban areas' growing population and reliance upon gaming and tourism as an economic base. The small rural areas, whose economies' depend largely upon mining and agriculture, attract firms supplying goods rather than services.

The number of persons initially employed by a firm may determine the firm's economic impact in a community. Of the 3,817 new businesses created between 1982 and 1983, only 211, or 6 percent, employed more than 20 persons. Over three-fourths of these larger firms were located in Las Vegas or Reno/Sparks. The larger urban areas of Nevada are thus able to attract not only the majority of new firms, but also the large firms as well.

The trend towards Nevada's economic diversification is only beginning. As the State continues to grow, more jobs in service/trade industries will be needed to support the expanding population. As this analysis illustrates, sectors within the service industries other than hotels, gaming, and recreation are providing additional employment opportunities. Although the State will continue to rely upon gaming and tourism for a large sector of its employment, Nevada's economic base appears to be broadening.

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Nevada Occupational Projections

by

Zina Turney, Labor Economist

The number of wage and salary jobs in Nevada is expected to increase by an average annual rate of 4.7 percent during the eight-year period ending in 1990. Over 572,000 jobs will be in Nevada by the turn of the decade. This statistic as well as the employment outlook for about 500 specific occupations are presented in the Nevada Employment Projections Program recently released by Employment Security Research. Information is alsc available for the Las Vegas and Reno areas as well as the Balance of State.

Nevada occupations expected to show increases greater than the average include Medical Workers and Health Technicians such as professional nurse, physical therapist and licensed practical nurse. Overall construction and metal working craft workers, and assemblers will also grow more rapidly than the average increase.

On the other hand, growth in other occupations are expected to increase at a lesser pace than the average during the same time period. Teachers, office machine operators, printing trade and transportation/public utility craft workers will grow at a much slower rate than the overall 4.7 percent average annual growth rate of all occupations.

Many resources are used to derive these projections. One important element is the Occupational Employment Survey (OES). It is used to develop the base year occupational staffing pattern by industry. This is a federal/state cooperative survey conducted by the Employment Security Research Section each year. Each industry is surveyed only once every three years in an effort to minimize the burden to the employer.

This year several major industries will be surveyed. Approximately 5,000 Nevada employers will receive questionnaires during the next few months. Employers will either receive the questionnaire in the mail or be contacted by a staff member of Employment Security Research. The total number of employees by occupation are requested for each firm. The responses are

kept confidential and only used at the aggregate level. These employers will be in the mining, construction, finance/insurance/real estate, and service industries. A special survey is also being conducted for all educational services.

The time and effort taken by employers to complete this questionnaire will be greatly appreciated. In addition to being used in the Nevada Projections Program, the data is also used extensively in the Nevada Occupational Information System developed for counselors and planners.

The Nevada Employment Projections Program is available upon request by contacting the Employment Security Research Section, 500 East Third Street, Carson City, Nevada, telephone (702) 885-4550 or our in-state toll free number 1-800-992-0900, extension 4550.

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New Labor Market Information Publications
by
George Anastassatos, Labor Economist

The Employment Security Research section of the Employment Security Department has published its Nevada Affirmative Action publication for 1984. This document is designed to furnish both private employers and governmental agencies with needed data to comply with their affirmative action reports.

Two basic tables are presented. Population information and labor force data are provided by sex and race/ethnic status. Also included in the document, for these same characteristics, is a table that shows employed persons for 1980 by occupational groups.

Demographics of the insured unemployed individuals during 1983 by Employment Service local office areas are also presented for selected occupational groupings in the appendix. This information represents the occupations in which these individuals were last employed.

Also available are the 1983 Establishment-based Industrial Employment Statistics for Nevada, Las Vegas, and Reno, as well as Labor Force statistics for the State and all the counties. Revised data for 1982 are also available.

To receive a copy of any of these publications, contact the Research Section of the Employment Security Department, 500 East Third Street, Carson City, Nevada 89713, telephone (702) 885-4550, or Toll Free 1-800-992-0900, extension 4550 (within Nevada only).

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
CIVILIAN LABOR FORCE	487.0	487.3	490.0	472.8	475.3	480.6
UNEMPLOYMENT	44.5	41.3	39.2	57.0	58.4	56.7
UNEMPLOYMENT RATE	9.1%	8.5%	8.0%	12.1%	12.3%	11.8%
UNEMP. RATE (SEASONALLY ADJUSTED)	8.2%	7.7%	7.6%	10.9%	11.3%	11.3%
TOTAL EMPLOYMENT 1/	442.5	446.0	450.7	415.8	416.9	424.0
NONAGRICULTURAL EMPLOYMENT	439.0	442.5	446.6	412.3	413.4	419.9
AGRICULTURAL EMPLOYMENT	3.5	3.5	4.2	3.5	3.5	4.2
PERSONS INVOLVED IN WORK STOPPAGES	0.1	0.1	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	412.3	413.6	416.4	385.3	385.6	391.1
MINING	6.2	6.3	6.3	5.2	5.2	5.3
METAL MINING	4.5	4.6	4.6	3.5	3.5	3.6
CONSTRUCTION	20.1	20.1	20.3	16.9	16.6	17.4
MANUFACTURING	19.7	19.8	20.0	17.7	18.0	18.3
DURABLE GOODS	12.7	12.8	12.8	11.3	11.5	11.7
STONE, CLAY, & GLASS PRODUCTS	1.3	1.3	1.4	1.1	1.1	1.1
PRIMARY METAL INDUSTRIES	1.0	1.0	1.0	1.1	1.1	1.1
NON-DURABLE GOODS	7.0	7.0	7.2	6.4	6.5	6.6
FOOD PRODUCTS	1.6	1.6	1.6	1.4	1.4	1.4
PRINTING & PUBLISHING	3.1	3.1	3.1	3.1	3.1	3.1
CHEMICALS	0.7	0.7	0.7	0.8	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	24.8	24.6	24.7	24.5	24.2	24.0
TRANSPORTATION	13.4	13.3	13.3	12.8	12.5	12.5
RAILROAD	1.4	1.4	1.4	1.8	1.7	1.6
TRUCKING & WAREHOUSE	4.0	4.0	3.9	3.8	3.6	3.5
AIR	3.0	3.0	3.1	2.6	2.6	2.7
PUBLIC UTILITIES	11.4	11.3	11.4	11.7	11.7	11.5
TOTAL TRADE	82.9	82.0	81.8	76.3	75.8	76.6
WHOLESALE	13.9	13.8	13.9	13.1	13.1	13.2
RETAIL	69.0	68.2	67.9	63.2	62.7	63.4
GENERAL MERCHANDISE & APPAREL	13.5	12.6	12.1	12.9	12.3	12.2
FOOD STORES	9.5	9.4	9.4	9.3	9.4	9.3
AUTO DEALERS & SERVICE STATIONS	8.4	8.4	8.5	7.9	7.9	8.0
EATING & DRINKING PLACES	23.8	24.0	24.2	20.5	20.6	21.1
FINANCE, INSURANCE & REAL ESTATE	19.3	19.3	19.4	17.7	17.8	18.0
FINANCE	8.6	8.7	8.7	8.3	8.4	8.3
SERVICE INDUSTRIES	181.4	182.1	183.9	169.6	169.1	172.1
HOTELS, GAMING & RECREATION	117.0	117.8	119.4	108.5	108.6	110.4
PERSONAL	5.5	5.5	5.4	5.3	5.3	5.3
BUSINESS	20.3	19.9	19.9	18.5	17.7	18.4
MEDICAL & HEALTH	15.4	15.5	15.5	15.8	15.9	16.0
GOVERNMENT	57.9	59.4	60.0	57.4	58.9	59.4
FEDERAL	9.6	9.6	9.7	9.6	9.6	9.7
STATE & LOCAL	48.3	49.8	50.3	47.8	49.3	49.7
EDUCATION - STATE & LOCAL	20.7	22.1	22.5	19.4	20.8	21.2

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

L A S V E G A S L A B O R F O R C E S U M M A R Y

(ESTIMATES IN THOUSANDS)

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
CIVILIAN LABOR FORCE	274.7	274.9	276.2	267.0	267.6	270.2
UNEMPLOYMENT	25.3	24.6	23.4	32.0	32.9	31.5
UNEMPLOYMENT RATE	9.2%	8.9%	8.5%	12.0%	12.3%	11.7%
UNEMP. RATE (SEASONALLY ADJUSTED)	8.6%	8.4%	8.5%	11.6%	12.0%	12.0%
TOTAL EMPLOYMENT 1/	249.4	250.4	252.8	235.0	234.8	238.7
NONAGRICULTURAL EMPLOYMENT	248.8	249.8	252.1	234.4	234.2	238.0
AGRICULTURAL EMPLOYMENT	0.6	0.6	0.7	0.6	0.6	0.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	234.5	234.2	235.8	219.7	219.1	222.6
MINING	0.3	0.3	0.3	0.3	0.3	0.3
METAL MINING	0.1	0.1	0.1	0.1	0.1	0.1
CONSTRUCTION	12.6	12.6	12.9	10.8	10.8	11.3
MANUFACTURING	7.5	7.6	7.7	6.5	6.8	6.8
DURABLE GOODS	4.2	4.3	4.4	3.5	3.7	3.7
STONE, CLAY, & GLASS PRODUCTS	0.7	0.7	0.8	0.6	0.6	0.6
NON-DURABLE GOODS	3.3	3.3	3.3	3.0	3.1	3.1
FOOD PRODUCTS	0.6	0.6	0.6	0.6	0.6	0.6
PRINTING & PUBLISHING	1.5	1.5	1.5	1.5	1.5	1.5
CHEMICALS	0.6	0.6	0.6	0.7	0.7	0.7
TRANSPORTATION & PUBLIC UTILITIES	14.0	13.9	14.0	14.0	13.7	13.6
TRANSPORTATION	8.1	8.0	8.1	7.9	7.7	7.6
RAILROAD	0.5	0.5	0.5	0.7	0.7	0.6
AIR	2.5	2.5	2.6	2.2	2.2	2.2
PUBLIC UTILITIES	5.9	5.9	5.9	6.1	6.0	6.0
TOTAL TRADE	47.5	47.1	46.9	44.0	43.7	44.0
WHOLESALE	6.9	6.9	7.0	6.1	6.1	6.2
RETAIL	40.6	40.2	39.9	37.9	37.6	37.8
GENERAL MERCHANDISE & APPAREL	7.3	6.8	6.5	7.6	7.1	7.1
EATING & DRINKING PLACES	15.0	15.1	15.1	12.9	12.9	13.1
FINANCE, INSURANCE & REAL ESTATE	11.1	11.1	11.2	10.2	10.2	10.3
FINANCE	4.7	4.7	4.7	4.5	4.5	4.5
SERVICE INDUSTRIES	113.8	113.6	114.4	106.9	106.0	108.4
HOTELS, GAMING & RECREATION	73.2	73.1	73.7	68.7	68.5	69.4
PERSONAL	3.3	3.2	3.2	3.2	3.2	3.2
BUSINESS	14.4	14.0	14.0	13.1	12.4	13.5
GOVERNMENT	27.7	28.0	28.4	27.0	27.6	27.9
FEDERAL	5.0	4.9	5.0	4.9	4.9	4.9
STATE & LOCAL	22.7	23.1	23.4	22.1	22.7	23.0
EDUCATION - STATE & LOCAL	10.6	10.9	11.2	9.6	10.1	10.4

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

R E N O L A B O R F O R C E S U M M A R Y

(ESTIMATES IN THOUSANDS)

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
CIVILIAN LABOR FORCE	132.2	132.3	132.7	128.5	129.4	130.6
UNEMPLOYMENT	10.5	9.0	8.4	14.0	14.3	14.2
UNEMPLOYMENT RATE	7.9%	6.8%	6.3%	10.9%	11.1%	10.9%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.6%	5.7%	5.6%	8.8%	9.4%	9.7%
TOTAL EMPLOYMENT 1/	121.7	123.3	124.3	114.5	115.1	116.4
NONAGRICULTURAL EMPLOYMENT	121.3	122.9	123.8	114.1	114.7	115.9
AGRICULTURAL EMPLOYMENT	0.4	0.4	0.5	0.4	0.4	0.5
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	JAN	FEB	MAR P	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	113.3	114.2	114.8	106.0	106.3	107.4
MINING	0.6	0.7	0.7	0.5	0.5	0.6
CONSTRUCTION	5.1	5.0	4.9	4.0	3.7	3.9
MANUFACTURING	7.8	7.8	7.8	7.2	7.1	7.2
DURABLE GOODS	5.3	5.3	5.3	4.8	4.8	4.8
NON-DURABLE GOODS	2.5	2.5	2.5	2.4	2.3	2.4
TRANSPORTATION & PUBLIC UTILITIES	8.1	8.0	8.0	7.9	7.8	7.8
TRANSPORTATION	4.0	4.0	4.0	3.7	3.6	3.6
RAILROAD	0.4	0.4	0.4	0.5	0.5	0.4
TRANSPORTATION EXCL. RAILROAD	3.6	3.6	3.6	3.2	3.1	3.2
PUBLIC UTILITIES	4.1	4.0	4.0	4.2	4.2	4.2
TOTAL TRADE	25.4	25.1	25.2	23.4	23.1	23.2
WHOLESALE	5.9	5.9	6.0	6.0	6.0	6.0
RETAIL	19.5	19.2	19.2	17.4	17.1	17.2
GENERAL MERCHANDISE & APPAREL	5.2	4.8	4.6	4.6	4.3	4.1
EATING & DRINKING PLACES	5.7	5.7	5.9	4.9	4.9	5.2
FINANCE, INSURANCE & REAL ESTATE	6.3	6.2	6.2	5.9	6.0	6.0
SERVICE INDUSTRIES	43.6	44.3	44.8	40.7	41.0	41.7
HOTELS, GAMING & RECREATION	27.3	27.9	28.5	24.7	25.0	25.5
PERSONAL	1.6	1.6	1.6	1.5	1.5	1.5
GOVERNMENT	16.4	17.1	17.2	16.4	17.1	17.0
FEDERAL	2.8	2.8	2.8	2.8	2.8	2.8
STATE & LOCAL	13.6	14.3	14.4	13.6	14.3	14.2
EDUCATION - STATE & LOCAL	6.4	7.1	7.2	6.1	6.8	6.8

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN 1984	FEB 1984	MAR P 1984	JAN 1984	FEB 1984	MAR P 1984	JAN 1984	FEB 1984	MAR P 1984
MINING	546.91	543.57	551.10	43.2	42.7	43.6	12.66	12.73	12.64
CONSTRUCTION	607.79	600.10	606.81	35.9	35.3	35.8	16.93	17.00	16.95
MANUFACTURING	355.11	358.49	354.60	39.5	40.1	39.4	8.99	8.94	9.00
DURABLE GOODS	367.23	375.14	369.18	39.7	40.6	39.4	9.25	9.24	9.37
STONE, CLAY & GLASS	435.60	462.53	450.05	39.6	38.1	36.5	11.00	12.14	12.33
PRIMARY METALS	582.74	564.98	552.77	40.3	39.9	38.9	14.46	14.16	14.21
NONDURABLE GOODS	330.40	323.26	325.80	39.1	38.9	39.3	8.45	8.31	8.29
PRINTING & PUBLISHING	339.11	322.56	319.87	38.8	38.4	38.4	8.74	8.40	8.33
PUBLIC UTILITIES	482.76	475.58	485.61	40.5	39.5	40.1	11.92	12.04	12.11
TRADE	265.13	271.54	276.00	33.1	33.9	34.5	8.01	8.01	8.00

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN 1984	FEB 1984	MAR P 1984	JAN 1984	FEB 1984	MAR P 1984	JAN 1984	FEB 1984	MAR P 1984
CONSTRUCTION	588.60	569.92	587.62	36.0	34.9	35.7	16.35	16.33	16.46
MANUFACTURING	434.27	430.23	429.90	39.3	38.9	38.8	11.05	11.06	11.08
DURABLE GOODS	449.69	440.06	435.86	38.8	38.1	38.0	11.59	11.55	11.47
NONDURABLE GOODS	402.59	409.24	417.04	39.9	40.2	40.1	10.09	10.18	10.40
TRANSPORT. & UTILITIES	430.40	430.55	438.80	40.0	39.5	40.0	10.76	10.90	10.97
WHOLESALE TRADE	338.35	348.89	358.32	37.1	37.8	38.2	9.12	9.23	9.38
RETAIL TRADE	201.96	202.60	203.39	30.6	30.8	31.1	6.60	6.58	6.54

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

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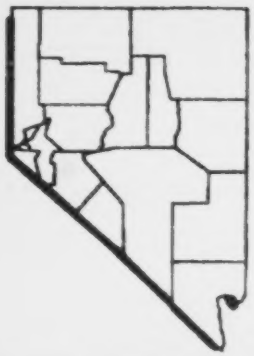

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

Dear Fellow Nevadans:

We have all watched with deep concern the human and economic impact of the recent recession. Our once "recession immune" and unique economy, which had weathered many economic storms, began to show the signs of fatigue. After a careful analysis of these economic happenings, I could see that Nevada would weather the recession but that our ability to rebound from the effects of future nationwide economic downturns would be at least uncertain. During the past two-year period of high unemployment, Nevada paid out over $200 million in benefit payments from the Unemployment Insurance Trust Fund. However, we, unlike some 29 other States, were not forced to borrow from the Federal Government to pay benefits. In fact, Nevada ended the recession with $100 million in its reserve benefit account. The fact that we had a healthy trust fund, upon entering the recessionary period, allowed us to maintain some of the lowest tax rates in the Nation when virtually all States were taxing employers at or near their maximum allowable rates. Recent increases in the Unemployment Insurance tax rates were required to restore the fund to a statutory level of solvency, in spite of the commendable reserve. It is my hope that as the solvency level is reached, Nevada employers will once again be in the enviable position of a solvent fund and tax rate at the lowest levels possible.

It is important for all of us to realize that the payment of unemployment insurance benefits provided the economy with a fiscal resilience while retaining a trained and able work force for the employing community. When the full impact of the recession is taken into account, it is more and more apparent that although the Nevada economy is on the mend, we must take every opportunity to strengthen our economic fabric with the threads of economic development and diversification.

We cannot and dare not miscalculate that much of the economic recovery which we are enjoying comes primarily as the result of a national turnaround. My campaign to diversify our economic base is an effort to make our economy healthier and more resistant to future nationwide downturns.

The continued vigorous efforts of the State Commission on Economic Development in conjunction with local economic development authorities throughout the State are required to attract new industries which provide jobs for now as well as the future.

I will continue to ask for your support and commitment to the future well being of Nevada's economic health - join with me in building a more stable and sound economic base for our great State.

Sincerely,

RICHARD H. BRYAN
Governor

ECONOMIC INDICATORS

Unemployment Rate (Seasonally-Adjusted)

		APR	MAY	JUN
Nevada -	1984	7.3%	6.9%	7.0%
	1983	10.9	10.6	9.6
Las Vegas -	1984	7.6	7.4	7.9
	1983	11.2	10.7	9.7
Reno -	1984	5.7	5.3	5.3
	1983	9.4	9.5	8.6
U.S. -	1984	7.8	7.5	7.1
	1983	10.2	10.1	10.0

Consumer Price Index All Urban Consumers (1967=100)

	APR	MAY	JUN
1984	308.8	309.7	310.7
1983	295.5	297.1	298.1

Gross Gaming Revenues (In Thousands)

	1st Qtr. 1984	1st Qtr. 1983
Nevada	$757,691	$654,375
Las Vegas	520,186	461,469
Reno	143,464	115,828

Taxable Sales (In Thousands)

	1st Qtr. 1984	1st Qtr. 1983
State	$1,696,582	$1,491,981
Las Vegas	948,115	855,527
Reno	402,595	338,927

NEVADA ECONOMY 2ND QUARTER 1984

The Nevada statewide unemployment rate continued to drop during the second quarter. The rate moved from 7.3 percent in April to 6.9 percent in May, and, finally, edged upwards to 7.0 percent in June. The fall in the rate was due partly to a work stoppage in southern Nevada and partly to an overall improving economy. The national economy has continued to defy earlier predictions of slowing growth and continued to post impressive gains in employment. The United States unemployment rate was 7.1 percent in June. On the regional level, Nevada has continued to reap the benefits of California's improving economy. California's rate stood at 7.5 percent unemployment - down from 10.2 percent a year ago.

As noted above, the number of strikers tended to distort somewhat the Nevada rate during the period. Strikers, as well as replacement workers, are counted as employed; thus, lower than normal unemployment rates resulted as replacement workers are taken off unemployment totals, and inflate the employment counts. But as the strikers returned (mostly in June), they displaced their replacements back into the unemployment roles, causing the resulting higher rate of 7.0 percent. There were approximately 17,100 workers who walked out in April. This fell to 10,000 in May and 3,400 in June. With the strike basically coming to an end in June, Nevada's rate reflects an underlying strength since the rate is still below the first quarters level. When compared to 1983 unemployment percentages for the second quarter, the improvement in the economic picture is evident.

The second quarter unemployment rates are the lowest since the third quarter of 1981, nearly three years ago. With the spillover of tourism from the Democratic convention and Olympics, Nevada should see an even brighter summer. However, little improvement in the unemployment rate is expected since interest rates remain high. In addition, there will be a certain adjustment period in employment levels as the impact of the hotel/casino strike becomes apparent.

LAS VEGAS AREA

The Southern Nevada economy was severely disrupted during the second quarter of this year by a work stoppage which initially involved 32 hotel/casinos and 17,100 employees. Some settlements were reached during April, but by May 10,000 persons were still involved in the dispute. This had dissipated to 3,400 persons in June.

The impact of this dispute has been substantial. Reductions in the hotel/motel occupancy rate occurred during April and May reflecting reduced tourism, dropping to 71.2 and 67.5 percent respectively. This was significantly below the 80.2 and 74.3 rates of the prior year. The Las Vegas Convention Authority estimated that around $1 million per day was lost to the area. For the month of May, the Gaming Control Board reported declining revenues. Measured in inflation adjusted (1982) dollars, May gaming revenue fell by more than 9 percent as compared to May 1983. This also impacted the statewide revenue totals, which declined by a little more than 2 percent.

A seeming oddity occurred during this period involving the unemployment rate. It fell. Compared to the first quarter average of 8.5 percent, the rate for the last three months has been 7.6, 7.4 and 7.9 percent respectively. As noted in the State writeup, this was due to the fact that replacement workers and those engaged in the dispute were essentially counted as two employees in the same job. As a consequence, employment counts were inflated and the unemployment rate declined dramatically.

In June, as mentioned previously, the unemployment rate stood at 7.9 percent, a rate that more closely approximates the true labor market condition. At this time last year the unemployment rate stood at 9.7 percent of the civilian labor force, well down from the near record 12 percent rate of February and March. By this time, the Southern Nevada economy was well into its recovery phase from the last recession. Improvements in the labor market continued through the remainder of the year and into 1984. However, beginning this year the rate of recovery has moderated somewhat.

During the second quarter, most industrial sectors almost simultaneously experienced some growth hesitation. This coincided with the labor dispute. For the most part, jobs expanded at a lesser rate than expected. In the case of trade employment, this was in marked contrast to the volume of real (1982 dollars) taxable sales recorded in April (the latest information available). Consumer optimism seemed to continue apace. Auto sales surged (+14.1%) compared to tax receipts received in April 1983. And further reflecting pent-up consumer demand, growth in building materials (+15.3%) and household appliance sales (+18.6%) responded to an earlier strong upsurge in building permits. However, inflation adjusted taxable sales for eating and drinking establishments were 6.3 percent below the year ago level due to strike related activity.

Employment in eating and drinking establishments has been one of the largest job growth areas during the last year. Between June of 1984 and June 1983, this sector has added 1,500 jobs to the work place. One additional sector that has shown strong activity, hiring an additional 1,300 workers, has been in the area of business services. Growth in this area has been ongoing for some time, and is generally associated with defense spending at the Nevada test site and activity in conventions. A large proportion of these jobs are affiliated with consultation and computer services.

Now that the impact of the work stoppage is dwindling, the Las Vegas economy should resume its expansion in concert with continued growth in the national economy. A slower but more sustainable growth in Gross National Product is expected for the duration of this year and inflationary pressures should also maintain an acceptable level. On the negative side, high interest rates still pervade the economy and it has apparently had some effect on the Las Vegas construction industry. Cumulative construction permits for the first six months of this year are nearly 40 percent below that during the same period in 1983. In addition to high interest rates, however, part of this falloff may be partly explained by the very rapid build-up last year and subsequent adjustment to market demand this year. On the whole, economic growth

should continue, led by tourist related activity.

The cumulative volume of air and vehicle traffic counts through June suggest that the level of tourism was only modestly impeded by the work stoppage, and it should once again continue to expand. (Air traffic was off by 4.4 percent while vehicle traffic actually showed an increase of 5.4 percent). These expected gains in association with convention activity should stimulate the gaming industry. In response to these expectations, employment gains and reduced rates of unemployment are expected to occur over the remainder of the year. However, the rate may be sluggish over the next several months as the industry continues to adjust to residual work stoppage activity and the newly developing market situation.

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RENO AREA

Unemployment in the Truckee Meadows continued to drop at a fast pace since peaking in early 1983 at 14,300 unemployed. Much of this improvement is attributed to a surging national economic recovery as well as an expanding Nevada economy. During the second quarter of 1984, the seasonally adjusted unemployment rate dropped from April's low 5.7 percent to an even lower 5.3 percent in May. That rate, the lowest since June 1981, remained unchanged during June 1984. Meanwhile, the area's labor force grew. During the current quarter, the average number of workers unemployed was 7,100, well below the 9,300 average for the preceding quarter, and the 11,700 during the year ago quarter. Moreover, jobless rates for the Reno Metropolitan Statatistical Area (MSA) continues to be well below the state and the national average.

Total jobs in the Reno MSA during the second quarter of 1984 increased by 1,700 and peaked at 117,200 in June. This total is only slightly below the record high of 117,400 established in October 1979. Employment gains in the hotel/gaming/recreation (HGR) sector of the service industry during the quarter exceeded all others in the area by a wide margin. Smaller increases were indicated for construction, trade and transportation/public utilities. Gains for the aforementioned industries helped to offset decreases in government, manufacturing, and finance/insurance/real estate. Declines in government were the result of state and local education facilities closing for summer vacation. Manufacturing dropped slightly in its nondurable goods sector while the decrease in finance/insurance/real estate was partially due to high interest rates.

During the past year, 5,500 jobs have been added to the payrolls of area employers, reflecting the strength of the economic recovery. All industries shared in the year to year increases except for finance/insurance/real estate (FIRE) which declined slightly. Leading all industries with job gains was the hotel/gaming/recreation sector of services. This improvement is also reflected in sizable increases in quarterly gross gaming revenues. During the first quarter of 1984, revenues were up an astounding 18.2 percent when measured in real (1982) dollars over the year ago period. This gain was more than twice the year to year increase reported for the fourth quarter of 1983. Significant increases over 1983 data were also indicated for quarterly taxable sales. Taxable sales for the first quarter of 1984 were 14.8 percent over the year ago period when measured in real (1982) dollars. This was considerably higher than the 9.1 percent gain reported for the fourth quarter of 1983. Tourism levels to the Truckee Meadows remained at very high levels during the second quarter. A portion of these large increases were due to a three and one-half month bowling convention that concluded at the end of May. Air traffic passenger counts for May were strong, recording the largest May volume in the airport's history. Moreover, automobile traffic counts are also above year ago levels. Consequently, room tax revenues and hotel/motel occupancy are at high levels.

Prospects for the Reno area during the third quarter portends a continuation of current trends. This is premised by continued strength to tourism and gaming related businesses which are expected to thrive during the prime-tourist season. Moreover, expectations are for large increases in both quarterly taxable sales volume as well as gross gaming revenues. Commercial construction activities in the area are expected to remain very strong as many projects are well underway. Several large hotel additions and other projects should get underway later this year. However, residential building activities should be impacted as long term interest rates remain stubbornly high.

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The National Job Outlook 1/

by

Robert Murdock, Labor Economist

In many respects, the jobs of tomorrow will be similar to those we have today. But demand for many of these jobs will change and some new, emerging occupations will be on the horizon between now and 1995. Every two years, the Department of Labor prepares a job outlook in brief. The information is meant to inform and enable students, job seekers and counselors to make more informed career decisions. Using information on the demand for goods and services, advances in technology, changes in business priorities and occupational structure of industries, economists at the Bureau of Labor Statistics have projected the current occupational demand through the mid-1990's. Though the economists used three scenarios, slow growth, moderate growth and high growth, only moderate growth considerations are being discussed in this article.

By 1995, the number of jobs nationwide are expected to reach 127.1 million. This is a 25 percent gain from the 101.5 million jobs during 1982. The following is a review of the expected job opportunities within broad occupational groups based on the (SOC) Standard Occupational Classification system.

Administrative and Management Occupations

Workers in these occupations typically direct and control activities of business or government. For the most part, employment in these occupations is expected to increase about as fast as the average for all occupations. However, wide variations can be expected depending upon industry attachment of the position. For example, managers in the health care industries will grow much faster than average. Because of the increasing numbers of persons looking for these types of positions, and the higher technical requirements placed on these jobs, more advanced training may be needed. This may include specialized managerial training or post-baccalaureate study. Familiarity with computers also will be helpful as administrators and managers are tending to rely more heavily on computerized information systems to direct their organizations.

Engineers, Scientists, and Related Occupations

Many occupations in this group will exhibit faster than average growth. In some, such as electronic engineers, mechanical engineers, and systems analysts, growth will be much faster than the average. Overall, demand for most engineers will exceed supply.

Social Science, Social Service and Related Occupations

Workers in these occupations provide direct social services and do research into behavior of individuals, groups and society. Employment for these occupations is expected to expand at about the average of all jobs. However, on the supply side, many people are interested in these fields and competition will be keen for these positions, especially academic positions, as potential workers outnumber jobs. Social scientists with advanced degrees should have better prospects when seeking work in applied fields.

Teachers, Librarians, and Counselors

Jobs at the university and college level in librarianship and counseling will be limited and competition will be likely. Staff cutbacks are expected in many higher education areas due to declining enrollments. But, job prospects for elementary school teachers are expected to improve as

1/ Source: The Job Outlook in Brief, Occupational Outlook Quarterly, Spring 1984.

enrollments start increasing substantially after 1985. Until 1990 competition will be apparent for many teaching jobs at the secondary education level. But, jobs will be easier to find as the surge in elementary aged school children move into high school. Those in math, science and other technical fields will face better job opportunities.

Health Related Occupations

These occupations include various aspects of people who work to care for the sick, help the disabled, and advise individuals or communities on ways of maintaining or improving their health.

Health occupations for the most part will grow at a faster than average rate. Registered nurses, nursing aides, and orderlies will provide the majority of new jobs. Competition will be evident for jobs as physicians, dentists, chiropractors and veterinarians who seek to establish a practice despite the fact that strong job growth should be experienced in most health care occupations. This will be due to the large number of newly trained people entering these fields each year.

Writers, Artists and Entertainers

These occupations include reporters, writers, designers, public relations specialists and performing artists. There will be stiff competition for jobs in these occupations since a large number of people will be vying for the jobs available. Talent, personal drive and luck will continue to play a major role in landing a job in these occupations. Writers and editors can expect the best opportunities in technical and business writing.

Technologists and Technicians

People in these occupations typically provide technical assistance to engineers, scientists and other professional workers. Continued technological growth in most aspects of the economy will cause many of these types of occupations to grow much faster than average. Occupations such as legal assistants, programmers, electrical technicians and electronic technicians are some of the fast growth occupations and demand will exceed the supply of people in these areas.

Marketing and Sales Occupations

Most of the people in these occupations are involved in the selling of goods and services. Occupations such as travel agents, securities sales, real estate sales, and wholesale sales are expected to grow faster than average. Growth in the various industries where these occupations are found should be strong. Higher paying sales occupations such as insurance agent and real estate agent tend to be more competitive than retail sales occupations, therefore these types of jobs will be harder to find.

Administrative Support, Including Clerical

Some occupations such as computer operators and peripheral electronic data processing equipment operators should grow much faster than average. This will provide many good job opportunities because of the increased growth in computer systems. Occupations like bank tellers, bookkeepers, secretaries, shipping and receiving clerks and typists will offer many job opportunities due to their large size and high turnover rate. However, because of increased use of office automation systems growth of occupations such as typists or bookkeepers will be less than average.

Service Occupations

This group includes occupations in food service, protective service, cleaning and personal service. In protective services, guards are expected to be a fast growing occupation as concern over crime and vandalism grows. But slow government growth will restrict opportunities in police and firefighter occupations.

The improving economic conditions of the family and increased leisure time will cause jobs in food and beverage service and recreation to increase faster than average. Job opportunities should be plentiful in these areas.

Agricultural and Forestry Occupations

Despite the fact that the demand for food, fiber products and wood will increase, job numbers will decline. Advancing technology will provide us with more productive farming and forestry methods.

Mechanics and Repairers

Employment growth for these types of occupations should be about as fast as the average for all occupations. However, some occupations in this group will grow faster than average providing additional job opportunities. Some of these faster growing occupations include computer service technicians and office machine repairers. Some occupations such as communication equipment mechanic and machinery maintenance mechanics should see slow growth as technological improvements in equipment will require lower maintenance and repair time.

Construction Occupations

Most construction occupations are expected to grow faster than average. Increases in population and the number of households, combined with a rise in spending for new industrial plants and businesses should lead to significant new construction. However, new technological developments in construction methods, equipment and materials will limit the potential growth of these jobs. The construction industry is very sensitive to changing economic conditions. Therefore, employment opportunity and job numbers will fluctuate widely. Many construction workers experience unemployment during economic downturns.

Production Occupations

These workers perform various tasks involved in the production of goods. Employment gains should be around the average of all occupations within this group. However, changes in production techniques and the increased use of automated machinery will prevent some occupations employment levels from rising as rapidly as the output of goods.

Transportation Occupations

Because of a continually growing economy, the need for transport services will continue to grow creating average employment gains for such occupations as truck drivers and airplane pilots. But, increased use of automated material handling systems will cause slower than average employment growth for such occupations as industrial truck operators. Therefore, competition for these jobs will get keener.

Handlers, Equipment Cleaners, Helpers and Laborers

These workers usually assist skilled workers and perform routine tasks. These jobs should be plentiful because of an extremely high turnover rate. But economic slowdowns can dramatically alter the number of jobs in this group. Over the long run, employment in these occupations is expected to grow slower than average as routine tasks are mechanized.

A more complete discussion of the national job outlook can be found in the Spring 1984 issue of the Occupational Outlook Quarterly. Information on occupational growth in Nevada can be obtained from the 1984 Nevada Occupational Projection Program or the 1984 Nevada Occupational Information System. For further information contact Employment Security Research at (702) 885-4550.

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Per Capita Personal Income

by

George Anastassatos, Labor Economist

The Bureau of Economic Analysis of the U.S. Department of Commerce recently released 1982 statistics for total personal income and total per capita personal income for all counties and metropolitan statistical areas (MSAs). Of the country's eight regional areas, the Far West ranked the highest in per capita income with a total of $12,238, exceeding the national average by more than 10 percent. The Midwest regional area closely followed

with $12,087. State per capita personal income ranged from a high of $16,257 in Alaska and $13,748 in Connecticut to a low of $7,778 in Mississippi. The United States average was $11,100, compared with $10,582 in 1981.

In the Far West, California led the four state region in per capita personal income, while ranking fifth highest in the nation. Nevada trailed California slightly, and ranked fourteenth overall in the country.

The table presented below provides the latest per capita personal income for selected areas for 1982, as well as data for 1980 and 1981. In 1982, the highest per capita personal income within Nevada was reported for Washoe County, followed by Douglas, Elko and Carson City. Storey and Humboldt counties experienced the lowest levels.

Per Capita Personal Income

Selected Areas	1980	1981	Percent Change	1982	Percent Change
United States	$ 9,503	$10,582	11.4%	$11,100	4.9%
Far West Region	10,689	11,768	10.1	12,238	4.0
California	10,920	12,064	10.5	12,567	4.2
Nevada	10,758	11,778	9.5	12,022	2.1
Oregon	9,356	10,017	7.1	10,335	3.2
Washington	10,198	11,163	9.5	11,560	3.6

NEVADA COUNTIES

	1980	1981	Percent Change	1982	Percent Change
Churchill	8,720	9,561	9.6	10,192	6.6
Clark	10,379	11,391	9.8	11,652	2.3
Douglas	11,605	13,011	12.1	13,343	2.6
Elko	10,440	11,674	11.8	11,959	2.4
Esmeralda	8,785	8,411	- 4.3	8,758	4.1
Eureka	11,042	11,299	2.3	9,662	-14.5
Humboldt	9,131	9,512	4.2	8,610	- 9.5
Lander	9,689	10,143	4.7	10,073	- 0.1
Lincoln	6,973	8,333	19.5	9,626	15.5
Lyon	8,921	9,953	11.6	10,301	3.5
Mineral	8,445	10,260	21.5	10,896	6.2
Nye	8,607	9,879	14.8	9,711	- 1.7
Pershing	8,810	9,143	3.8	9,415	3.0
Storey	7,832	8,570	9.4	8,299	- 3.2
Washoe	12,401	13,457	8.5	13,740	2.1
White Pine	9,229	9,818	6.4	9,490	- 3.3
Carson City	10,522	11,688	11.1	11,898	1.8

NOTE: Per capita personal income is computed by dividing the total personal income by mid-year population estimates. Total personal income is the current income received by residents of an area from all sources. It is measured before deduction of taxes but after deduction of social insurance programs.

1982 Preliminary Report of the Census of Agriculture

by

George Anastassatos, Labor Economist

The Bureau of the Census of the U.S. Department of Commerce has recently published its preliminary report of the 1982 Census of Agriculture. The statistical information is available for all counties in the United States with 10 farms or more, and for each state and the United States. For comparative purposes, data are presented for the two most recent Census periods, 1982 and 1978.

The preliminary information on major data items has been standardized. Table 1 includes aggregate totals for total number of farms in the area, acreage used in farming, and the volume of land in farms according to use. Table 2 provides a summary of selected Census items for all farms that includes the market value of sales; number of farm operators by age, sex, and race; and selected farm production expenses. Table 3 provides an inventory of livestock and poultry, including the number of farms that produce each. Statistics for the types of crops harvested are delineated in Table 4. Table 5 provides information on those farms in the area that generate in excess of $10,000 in sales. This data includes ownership characteristics, market value of agricultural products, farm production expenses, inventory of livestock and poultry, and crops that are harvested.

The selected information contained in the table presented below are from the Nevada report. The data for 1982 are subject to future revision.

State of Nevada
Census of Agriculture

Item	1982	1978	Percent Change
Farms	2,721	2,399	13.4%
Land in Farms (millions of acres)	9.9	10.4	- 4.8
Total Harvested Cropland (millions of acres)	0.6	0.6	--
Irrigated Land (millions of acres)	0.8	0.9	-11.1
Farms By Size			
1 to 9 acres	405	251	61.4
10 to 49 acres	574	428	34.1
50 to 179 acres	537	520	3.3
180 to 499 acres	462	441	4.8
500 to 999 acres	224	232	- 3.4
1,000 to 1,999 acres	172	177	- 2.8
2,000 acres or more	347	350	- 0.9
Market Values of Agricultural Products Sold (000's)	$203,990	$198,954	2.5
Crops, Including Nursery and Greenhouse Products (000's)	73,967	58,748	25.9
Livestock, Poultry, and Their Products (000's)	130,023	140,206	- 7.3

State of Nevada
Census of Agriculture (Cont.)

Item	1982	1978	Percent Change
Farms by Value of Sales			
$250,000 or more	193	144	34.0
$100,000 to $249,999	235	238	- 1.3
$40,000 to $99,999	349	338	3.3
$20,000 to $39,999	295	299	- 1.3
$10,000 to $19,999	286	276	3.6
$5,000 to $9,999	323	340	- 5.0
Less than $5,000	1,040	764	36.1
Farms by Type of Origin			
Individual or Family	2,068	1,801	14.8
Partnership	393	363	8.3
Corporation	198	186	6.5
Other - Cooperative, Estate or Trust, Institutional, etc.	62	49	26.5
Female Operators			
Farms	224	154	45.5
Land in Farms (acres)	278,906	308,791	- 9.7
Operators by Race			
White	2,587	2,284	13.3
Black and Others	134	115	16.5

Copies of the 1982 Census of Agriculture for selected areas may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The reference number of the Nevada report series is 1984-421-784.

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Changes in Frequency of
Publication for Local Area
CPI's to Begin in 1987
from
CPI Detailed Report, February 1984
U.S. Department of Labor,
Bureau of Labor Statistics

The Bureau of Labor Statistics will improve the sample of urban areas in which it gathers prices for the monthly Consumer Price Index (CPI) beginning in 1987. At the same time, the Bureau will publish a number of local area CPI's less frequently.

The changes in publication frequency arise from the requirement to allocate the sample to reflect population shifts in the 1980 Census so as to provide the most accurate national CPI possible with the funds available. As a result, some areas will no longer have samples sufficient to permit more frequent publication.

The selection of the new sample of urban areas is one of the major early steps in the periodic revision of the CPI. The CPI is updated and refined about once every decade to take account of population shifts and changes in consumer buying habits and to introduce technical improvements. Since World War II, major revisions have been introduced in 1953, 1964, and 1978. The revision program now in progress will result in release of a revised CPI in 1987.

The new sample of urban areas will include the Nation's largest metropolitan areas, plus other urban areas chosen by a probability sampling method to represent scientifically all of the remaining urban areas in the United States. The new sample reflects the population shifts of the past decade and, thus, will more accurately measure consumer price movements in the years ahead.

In addition to the national index for all cities, the Bureau now publishes indexes for 28 urban areas. For further information please contact the Employment Security Research Section at (702) 885-4550.

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Manufacturing Firm Growth and Development in Nevada

by

Kim Spielman, Labor Economist

Between 1980 and 1982, Nevada's population grew at a more rapid rate than any other state in the Nation. Nevada achieved a 10 percentage point increase in population growth, while the national growth rate during this period was only 2.2 percent (Bureau of the Census, U.S. Department of Commerce). Much of the rapidly expanding population in the state has found employment in Nevada's service industries. Other industries have also experienced employment growth, however. For example, the number of persons employed in manufacturing industries nearly doubled between 1972 and 1982 (Employment Security Research records).

Although diversification of Nevada's economy beyond service sector industries is a current concern, analysis of the 1972 to 1982 period indicates that significant growth and changes have already occurred in Nevada manufacturing firms. In addition, examination of newly-created manufacturing firms and established firms may identify future areas of growth and development for manufacturing firms in the State.

From 1972 to 1982, Nevada manufacturing firms experienced a 92 percent increase in establishment-based industrial employment, second only to employment growth in the service sector. The number of persons employed in manufacturing rose from 9,800 to 18,800 during this period. Nationally during this same time, manufacturing employment grew by only 2.1 percentage points. Also between 1972 and 1982, manufacturing employment increased from 4.4 percent to 4.7 percent of total establishment-based industrial employment in Nevada.

The growth in manufacturing employment between 1972 and 1982 has been accompanied by changes in the type of manufacturers located in the State. During 1972, employment in durable goods industries (such as lumber and wood products, machinery and electrical products) accounted for 59 percent of manufacturing employment in Nevada, but this proportion had increased to 65 percent by 1982. Nondurable goods employment subsequently decreased from 41 percent to 35 percent of total manufacturing employment during this period.

In Clark County, 2,200 more persons were employed in manufacturing jobs during 1982 than 1972. The area experienced a decline, however, in the proportion of manufacturing to total establishment-based industrial employment from 3.7 percent to 2.9 percent. The share of durable goods employment rose from 52 percent to 56 percent of total manufacturing employment between 1972 and 1982.

Washoe County, with a more diversified economy than Clark County, relies more upon the manufacturing industry. The percentage of manufacturing employment rose from 5.8 percent to 6.9 percent of total establishment-based industrial employment between 1972 and 1982. This increase, a 111 percentage point increase in employment, provided an additional 4,100 jobs. Durable goods employment rose from 59 percent to 68 percent of total manufacturing employment in the area during this time.

An examination of existing and new manufacturing firms in Nevada may indicate future trends of growth and development within this industry. Both established and new firms are analyzed by Standard Industrial Classification (SIC) code, area, and firm size to identify any differences between existing and new firms.

Information was obtained from third and fourth quarter 1983 reports compiled by Employment Security Department. Data is reported for those SIC codes containing sufficient number of firms to disclose. Firms within other SIC classifications are included in the total figures reported, however. "New" firms are identified as those in existence during June 1983 but not during June 1982. A "new" firm is defined as 1) one beginning operation for the first time; 2) sale of an existing firm to a new owner; 3) change in the form of ownership of an existing firm; 4) reopening of a previously existing firm after a closure period. The number of firms represents those businesses with complete employee and payroll information during the period. Thus, an existing firm which did not report employee and payroll data for both quarters is not included in this analysis. Average monthly employment represents the average number of persons on firm payrolls per month over the six month period studied.

The majority of new and existing manufacturing firms in Nevada employ 20 or fewer persons, as shown in Table 1 below. Clark County contains the greatest number of existing firms, 166, with 20 or fewer employees. The number of persons employed by these firms, 983, also exceeds the number employed in other small firms within the State. Statewide, 418 firms with 20 or fewer employees hire 2,522 persons.

Washoe County, however, contains a greater number of existing firms which employ more than 20 persons. In the Reno area, 68 firms employ 5,317 persons, contributing to that county's larger percentage share of employees in the manufacturing industry (Table 1). Within Nevada, 152 manufacturing firms, each employing more than 20 persons, accounted for 13,428 employees during the period examined.

Of the new manufacturing firms identified in this analysis, 86 percent employed 20 or fewer persons. Only 26 percent of all persons employed by new firms worked in small firms, however. Thus, many small businesses are being established, yet the larger new manufacturing firms employ a greater number of persons. Nearly one-half (48 percent) of the new firms were opened in Clark County, with the Balance of State accounting for 28 percent of new businesses and Washoe County 24 percent.

Within SIC code, the printing, publishing, and allied industries contained the greatest number of smaller firms and employees for new and existing manufacturing firms in all areas. Large printing and publishing firms in Clark County also employed more persons and contained the largest number of firms by industry. In Washoe County, however, large firm employment is concentrated in the electrical and electronic machinery category, although more large firms did fall within the printing classification. In the Balance of State area, more large firms and employees are found in the machinery manufacturing code.

The largest number of new firms also fell into the printing and publishing industry. A greater number of persons are employed in the machinery, excluding electrical category, however. This trend towards durable goods employment is thus continuing from the past decade by new firm establishment.

The level of manufacturing employment in Nevada constitutes a relatively small portion of total establishment-based industrial employment, but many changes have taken place in the past decade. The portion of manufacturing employment to total employment has risen from 4.4 to 4.7 percent, while employment has nearly doubled between 1972 and 1982. As seen in this analysis, more small firms exist and are being established, yet the majority of employment is provided by firms with more than 20 employees. A larger portion of employment is also provided by new and existing firms which produce durable goods. This reflects the continued growth of durable goods employment between 1972 and 1982.

A larger number of new manufacturing firms opened in Clark County during the period examined. Washoe County, however, continued to increase the proportion of manufacturing employment to total employment between 1972 and 1982. Thus, attempts to broaden the service sector economy of the State appear to be successful. As diversification efforts are intensified, even greater growth and development may occur within the Nevada manufacturing industry.

Table 1

Number of Nevada Manufacturing Firms, by SIC Code

SIC		ESTABLISHED FIRMS: 20 or Fewer Employees — Clark County No.	Clark County Emp.	Washoe County No.	Washoe County Emp.	Balance of State No.	Balance of State Emp.	ESTABLISHED FIRMS: More than 20 Employees — Clark County No.	Clark County Emp.	Washoe County No.	Washoe County Emp.	Balance of State No.	Balance of State Emp.	NEW FIRMS: 20 or Fewer Employees — Nevada No.	Nevada Emp.	NEW FIRMS: More than 20 Employees — Nevada No.	Nevada Emp.
	Nondurable Goods																
20	Food & Kindred Products	9	63	5	17	12	92	7	517	9	548	*	*	*			
27	Printing, Publishing, & Allied Industries	54	292	37	231	21	145	10	1037	11	827	4	153	27	106	29	174
28	Chemicals & Allied Products	4	15	6	25	6	21	*		*		*					
	Durable Goods																
24	Lumber & Wood Products, Exc. Furniture	15	80	15	75	10	65	8	428	*		*		13	38	15	207
32	Stone, Clay, Glass & Concrete Products	5	36	7	50	14	97	8	594	*		*		7	34	9	101
34	Fabricated Metal Products, Exc. Machinery	10	47	16	68	*		*		9	627	*		5	48	5	48
35	Machinery, Exc. Electrical	14	80	21	110	5	13	*		9	780	5	562	10	56	12	335
36	Electrical & Electronic Machinery	7	51	11	57	6	50	*		7	860	*		6	37	7	171
38	Measuring, Analyzing & Controlling Instruments	8	60	6	53	*		*		*		5	239	*		*	
39	Miscellaneous	19	110	12	90	8	61	4	177	*							
Total No. of Firms, All Industries		166		154		98		51		68		33		93		108	
Average Monthly Employment			983		877		662		4771		5317		3340		433		1639

*Indicates three or fewer firms.

Employment and Payrolls - 1983

by

Daniel Culbert, Labor Economist

Data for calendar year 1983 has just recently been compiled for wages and employment covered under all states unemployment insurance laws. This reveals that the average weekly wage (AWW) for unemployment insurance for the United States is $332.02. Nevada ranked 19th among the states in the nation with an AWW of $325.99. Generally, the states in the western part of the United States were near the national average. However, Alaska ranked as the Nation's high at $557.28.

The following table details the average employment and wages for the western states:

1983

State	Average Employment	Total Wage	AWW
Alaska	193,037	$ 5,593,925,000	$557.28
Arizona	1,038,403	17,102,406,000	316.73
California	9,927,963	187,460,507,000	363.12
Hawaii	381,100	5,861,955,000	295.80
Idaho	296,821	4,452,810,000	288.49
NEVADA	390,446	6,618,607,170	325.99
Oregon	910,590	15,096,761,000	318.83
Utah	501,342	8,084,390,000	310.11
Washington	1,489,869	26,467,154,000	341.63

This time of year also signals the completion of our Employment and Payrolls publication, which details worker numbers and wages by industry and area.

1983 Average Wage
Nevada

	Average Employment	Total Wage	Average Weekly
Total (exc. Feds.)	390,441	$6,618,607,170	325.99
Agriculture, Forestry, Fishing	2,613	35,909,810	264.28
Mining	5,839	157,085,340	517.36
Construction	19,840	503,182,734	487.73
Manufacturing	19,047	378,663,528	382.32
T.C.P.U. 1/	22,953	508,353,839	425.92
Trade	80,294	1,034,369,394	247.74
FIRE 2/	18,360	313,924,307	328.81
Services	173,295	2,753,999,007	305.61
Government (exc. Feds)	47,617	923,666,503	373.04
N.E.C. 3/	585	9,452,708	310.74

1/ TCPU - Transportation, Communications and Public Utilities.
2/ FIRE - Finance, Insurance, and Real Estate.
3/ N.E.C. - Not Elsewhere Classified.

For a copy of our 1983 publication, please contact this Department at 885-4550.

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	501.0	497.0	498.3	481.5	488.5	494.3
UNEMPLOYMENT	36.0	32.9	34.8	51.7	49.6	47.2
UNEMPLOYMENT RATE	7.2%	6.6%	7.0%	10.7%	10.2%	9.6%
UNEMP. RATE (SEASONALLY ADJUSTED)	7.3%	6.9%	7.0%	10.9%	10.6%	9.6%
TOTAL EMPLOYMENT 1/	465.0	464.1	463.6	429.9	438.8	447.1
NONAGRICULTURAL EMPLOYMENT	460.0	458.7	457.3	424.8	433.5	440.9
AGRICULTURAL EMPLOYMENT	5.1	5.4	6.2	5.1	5.4	6.2
PERSONS INVOLVED IN WORK STOPPAGES	17.1	10.0	3.4	0.0	4.2	4.2

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	412.2	410.8	421.8	397.9	401.7	407.5
MINING	6.3	6.4	6.5	5.6	5.7	6.0
METAL MINING	4.6	4.7	4.7	3.8	4.0	4.3
CONSTRUCTION	20.7	21.1	21.3	18.2	19.1	20.3
MANUFACTURING	20.1	20.2	20.3	18.8	19.1	19.2
DURABLE GOODS	12.9	12.9	13.0	11.9	12.1	12.2
STONE, CLAY, & GLASS PRODUCTS	1.4	1.4	1.4	1.2	1.2	1.3
PRIMARY METAL INDUSTRIES	1.0	1.0	1.0	1.1	1.1	1.1
NON-DURABLE GOODS	7.2	7.3	7.3	6.9	7.0	7.0
FOOD PRODUCTS	1.6	1.7	1.7	1.5	1.5	1.6
PRINTING & PUBLISHING	3.1	3.1	3.0	3.1	3.1	3.1
CHEMICALS	0.7	0.7	0.7	0.7	0.7	0.7
TRANSPORTATION & PUBLIC UTILITIES	24.6	24.7	24.8	24.4	24.4	24.6
TRANSPORTATION	13.2	13.4	13.4	12.7	12.8	13.0
RAILROAD	1.4	1.4	1.4	1.6	1.5	1.4
TRUCKING & WAREHOUSE	3.9	4.1	4.1	3.6	3.6	3.9
AIR	3.0	3.0	3.0	2.8	2.9	3.0
PUBLIC UTILITIES	11.4	11.3	11.4	11.7	11.6	11.6
TOTAL TRADE	82.1	82.8	83.2	78.2	79.5	81.1
WHOLESALE	13.9	14.1	14.2	13.4	13.6	13.8
RETAIL	68.2	68.7	69.0	64.8	65.9	67.3
GENERAL MERCHANDISE & APPAREL	12.0	12.1	12.2	12.4	12.3	12.4
FOOD STORES	9.2	9.2	9.2	9.2	9.7	9.9
AUTO DEALERS & SERVICE STATIONS	8.5	8.6	8.7	8.0	8.2	8.5
EATING & DRINKING PLACES	24.5	24.8	25.0	22.1	22.4	23.0
FINANCE, INSURANCE & REAL ESTATE	19.3	19.2	19.2	18.2	18.4	18.6
FINANCE	8.7	8.7	8.6	8.4	8.4	8.5
SERVICE INDUSTRIES	179.4	182.1	187.1	175.4	176.4	179.9
HOTELS, GAMING & RECREATION	115.1	117.6	122.2	113.6	114.8	117.3
PERSONAL	5.4	5.5	5.5	5.4	5.2	5.2
BUSINESS	20.0	20.3	20.3	18.2	18.3	18.7
MEDICAL & HEALTH	15.4	15.4	15.4	16.0	15.7	15.7
GOVERNMENT	59.7	60.3	59.4	59.1	59.1	57.8
FEDERAL	9.8	10.1	10.4	9.7	9.7	10.1
STATE & LOCAL	49.9	50.2	49.0	49.4	49.4	47.7
EDUCATION - STATE & LOCAL	22.4	22.7	20.8	21.0	21.1	19.1

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	286.3	281.1	279.7	268.8	274.0	275.8
UNEMPLOYMENT	21.5	20.1	22.4	29.3	28.6	27.8
UNEMPLOYMENT RATE	7.5%	7.1%	8.0%	10.9%	10.4%	10.1%
UNEMP. RATE (SEASONALLY ADJUSTED)	7.6%	7.4%	7.9%	11.2%	10.7%	9.7%
TOTAL EMPLOYMENT 1/	264.7	261.0	257.3	239.5	245.4	247.9
NONAGRICULTURAL EMPLOYMENT	263.9	260.0	256.2	238.6	244.5	246.9
AGRICULTURAL EMPLOYMENT	0.9	0.9	1.1	0.9	0.9	1.1
PERSONS INVOLVED IN WORK STOPPAGES	17.1	10.0	3.4	0.0	4.2	4.2

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	230.1	232.8	235.5	225.4	227.1	229.2
MINING	0.3	0.3	0.3	0.3	0.3	0.3
METAL MINING	0.1	0.1	0.1	0.1	0.1	0.1
CONSTRUCTION	13.2	13.2	13.1	11.6	11.8	12.3
MANUFACTURING	7.8	7.8	7.8	7.0	7.1	7.2
DURABLE GOODS	4.5	4.4	4.4	3.8	3.8	3.9
STONE, CLAY, & GLASS PRODUCTS	0.8	0.8	0.8	0.6	0.6	0.6
NON-DURABLE GOODS	3.3	3.4	3.4	3.2	3.3	3.3
FOOD PRODUCTS	0.6	0.6	0.6	0.6	0.6	0.6
PRINTING & PUBLISHING	1.5	1.5	1.5	1.5	1.5	1.5
CHEMICALS	0.6	0.6	0.6	0.7	0.7	0.6
TRANSPORTATION & PUBLIC UTILITIES	13.8	14.0	14.0	13.8	13.8	14.0
TRANSPORTATION	7.9	8.1	8.1	7.7	7.8	8.0
RAILROAD	0.5	0.5	0.5	0.6	0.5	0.5
AIR	2.5	2.5	2.5	2.3	2.4	2.4
PUBLIC UTILITIES	5.9	5.9	5.9	6.1	6.0	6.0
TOTAL TRADE	46.7	47.1	47.1	45.1	45.9	46.6
WHOLESALE	6.9	7.0	7.0	6.5	6.6	6.7
RETAIL	39.8	40.1	40.1	38.6	39.3	39.9
GENERAL MERCHANDISE & APPAREL	6.4	6.5	6.5	7.1	7.1	7.1
EATING & DRINKING PLACES	15.3	15.5	15.5	13.7	13.8	14.0
FINANCE, INSURANCE & REAL ESTATE	11.1	11.1	11.1	10.4	10.5	10.6
FINANCE	4.8	4.8	4.8	4.6	4.6	4.7
SERVICE INDUSTRIES	108.6	110.5	113.7	109.4	109.9	110.9
HOTELS, GAMING & RECREATION	68.0	69.8	72.9	71.2	71.5	72.1
PERSONAL	3.2	3.2	3.2	3.2	3.1	3.1
BUSINESS	14.1	14.3	14.3	12.8	12.8	13.0
GOVERNMENT	28.6	28.8	28.4	27.8	27.8	27.3
FEDERAL	5.1	5.1	5.3	4.9	4.9	5.0
STATE & LOCAL	23.5	23.7	23.1	22.9	22.9	22.3
EDUCATION - STATE & LOCAL	11.3	11.4	10.6	10.3	10.4	9.3

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	132.7	133.4	134.2	131.2	132.1	133.7
UNEMPLOYMENT	7.7	6.9	6.6	12.4	11.9	10.7
UNEMPLOYMENT RATE	5.8%	5.1%	4.9%	9.5%	9.0%	8.0%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.7%	5.3%	5.3%	9.4%	9.5%	8.6%
TOTAL EMPLOYMENT 1/	125.0	126.5	127.6	118.8	120.2	123.0
NONAGRICULTURAL EMPLOYMENT	124.4	125.9	126.9	118.2	119.6	122.3
AGRICULTURAL EMPLOYMENT	0.6	0.6	0.7	0.6	0.6	0.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1984			1983		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	115.5	116.5	117.2	109.5	110.9	112.3
MINING	0.7	0.7	0.7	0.5	0.6	0.6
CONSTRUCTION	5.1	5.2	5.4	4.3	4.8	5.2
MANUFACTURING	7.8	7.7	7.7	7.3	7.4	7.4
DURABLE GOODS	5.3	5.2	5.3	4.9	5.0	5.0
NON-DURABLE GOODS	2.5	2.5	2.4	2.4	2.4	2.4
TRANSPORTATION & PUBLIC UTILITIES	8.0	8.1	8.1	8.0	8.0	8.0
TRANSPORTATION	4.0	4.0	4.0	3.8	3.8	3.8
RAILROAD	0.4	0.4	0.4	0.4	0.4	0.4
TRANSPORTATION EXCL. RAILROAD	3.6	3.6	3.6	3.4	3.4	3.4
PUBLIC UTILITIES	4.0	4.1	4.1	4.2	4.2	4.2
TOTAL TRADE	25.4	25.6	25.7	23.5	23.7	24.1
WHOLESALE	6.0	6.1	6.1	5.9	5.9	5.9
RETAIL	19.4	19.5	19.6	17.6	17.8	18.2
GENERAL MERCHANDISE & APPAREL	4.6	4.6	4.6	4.3	4.3	4.4
EATING & DRINKING PLACES	6.1	6.1	6.1	5.3	5.4	5.5
FINANCE, INSURANCE & REAL ESTATE	6.2	6.1	6.1	6.1	6.2	6.2
SERVICE INDUSTRIES	45.5	46.1	47.0	42.9	43.3	44.6
HOTELS, GAMING & RECREATION	29.3	29.9	30.7	26.5	27.2	28.2
PERSONAL	1.6	1.6	1.6	1.6	1.5	1.5
GOVERNMENT	16.8	17.0	16.5	16.9	16.9	16.2
FEDERAL	2.8	2.9	2.9	2.8	2.8	2.8
STATE & LOCAL	14.0	14.1	13.6	14.1	14.1	13.4
EDUCATION - STATE & LOCAL	7.1	7.1	6.3	6.8	6.9	6.1

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR 1984	MAY 1984	JUN P 1984	APR 1984	MAY 1984	JUN P 1984	APR 1984	MAY 1984	JUN 1984
MINING	542.72	543.56	554.25	42.6	42.3	42.7	12.74	12.85	12.98
CONSTRUCTION	623.42	651.38	609.76	36.5	37.5	36.6	17.08	17.37	16.66
MANUFACTURING	360.50	360.48	367.83	40.1	39.7	40.2	8.99	9.08	9.15
DURABLE GOODS	377.61	381.24	387.73	40.3	40.3	40.6	9.37	9.46	9.55
STONE, CLAY & GLASS	469.61	476.45	472.24	37.3	38.3	38.3	12.59	12.44	12.33
PRIMARY METALS	576.69	587.64	616.90	40.3	41.5	42.9	14.31	14.16	14.38
NONDURABLE GOODS	327.55	321.98	327.76	39.8	38.7	39.3	8.23	8.32	8.34
PRINTING & PUBLISHING	334.96	318.47	341.09	39.5	37.6	39.8	8.48	8.47	8.57
PUBLIC UTILITIES	477.46	512.53	477.24	39.2	41.3	38.8	12.18	12.41	12.30
TRADE	273.50	276.80	280.26	33.6	34.3	34.6	8.14	8.07	8.10

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR 1984	MAY 1984	JUN P 1984	APR 1984	MAY 1984	JUN P 1984	APR 1984	MAY 1984	JUN 1984
CONSTRUCTION	610.85	637.08	600.97	36.6	37.3	36.6	16.69	17.08	16.42
MANUFACTURING	439.88	437.41	452.87	39.7	39.3	39.9	11.08	11.13	11.35
DURABLE GOODS	456.25	454.73	474.80	39.4	39.1	40.0	11.58	11.63	11.87
NONDURABLE GOODS	407.03	402.34	410.26	40.3	39.6	39.6	10.10	10.16	10.36
TRANSPORT. & UTILITIES	425.42	465.25	436.91	39.5	41.1	39.9	10.77	11.32	10.95
WHOLESALE TRADE	356.31	365.94	364.23	37.0	38.0	38.3	9.63	9.63	9.51
RETAIL TRADE	207.34	204.95	206.89	30.9	31.1	31.3	6.71	6.59	6.61

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.